

not conduct any business other than that of the Sir Speedy Center at the franchised location, except upon Sir Speedy's written authorization. There are no restrictions on the customers you may serve.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

The table that follows lists certain important provisions of the Franchise and related agreements. You should read the provisions in the agreements attached to this offering circular pertaining to renewal, termination, transfer and dispute resolution.

PROVISION	SECTION IN AGREEMENT	SUMMARY
a. Term of the franchise.	Section 6	Term is 20 years.
b. Renewal or extension of the term.	Section 6b	If you are in good standing, you can renew for an additional 20-year term.
c. Requirements for you to renew or extend.	Section 6b	Sign new agreement, refurbish if necessary. No fee.
d. Termination by you.	Section 7a(iii)	You must not use location or telephone number for same or similar business. You cannot compete within 100 miles for 2 years.
e. Termination by Sir Speedy without cause.	None	
f. Termination by Sir Speedy with cause.	Sections 7a(i)* (ii)	Sir Speedy can terminate only if you default.
g. "Cause" defined - defaults which can be cured.	Section 7a(ii)	You have 20 days to cure non-payment of fees ³ , 60 days to cure other defaults ⁴ .
h. "Cause" defined - defaults which cannot be cured.	Section 7a(i)	Non-curable defaults: conviction of felony, repeated defaults even if cured, abandonment, trademark misuse, unapproved transfer.
i. Your obligations on termination/non-renewal.	Sections 7b, 7c, and 7d	Obligations include complete de-identification and payment of amounts due (also see r. below).
j. Assignment of contract by Sir Speedy.	Section 9h	No restriction on Sir Speedy's right to assign.
k. "Transfer" by you - definition.	Section 8	Includes transfer of Franchise or assets or ownership change.
l. Sir Speedy's approval of transfer by you.	Section 8	Sir Speedy has the right to approve all transfers, but will not unreasonably withhold approval.
m. Conditions for Sir Speedy's approval of transfer.	Section 8	New Franchisee qualifies, transfer fee paid, any debts by you to Sir Speedy paid, purchase agreement approved, training arranged, release signed by you and current agreement signed by new Franchisee.
n. Sir Speedy's right of first refusal to acquire your business.	Section 8b	Sir Speedy can match any offer for your business.
o. Sir Speedy's option to purchase your business	Section 8b(i)	If Franchisee receives a bona fide written offer from a third person to purchase your center, Sir Speedy has the option, exercisable within 30 days, to match said offer.
p. Your death or disability.	Section 8b(ii)	Estate supersedes to you.
q. Non-competition covenants after the franchise is terminated.	Section 7c & 7a(3)	No competing business for 1 year within 5 miles of Center or of another Sir Speedy Franchise (including after transfer) if terminated by Sir Speedy or 100 miles for 2 years if terminated by you.
r. Non-competition covenants during term of franchise.	Section 4i	No involvement in competing business within 100 miles of Center.
s. Modification of the agreement.	Section 9l	No modifications generally, but Operating Manual subject to change.
t. Integration/merger clause.	Section 9l	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable.
u. Dispute resolution by arbitration	Section 9e	Except for certain claims, all disputes must be arbitrated in Orange

PROVISION	SECTION IN AGREEMENT	SUMMARY
or mediation.		County, California ² .
v. Choice of forum.	Section 9m	Litigation (or required arbitration) must be in California ² .
w. Choice of law.	Section 9m	California law applies ² .

Notes:

1. These states have statutes, which may supersede the Franchise Agreement in your relationship with Franchisor including the areas of termination and renewal of your Franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA (See Addendum), CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code, tit.], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [815 ILCS 705/1-44], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1-523H.17], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Sect 80C.14], MISSISSIPPI [Code Section 75-24-51] MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-1], RHODE ISLAND [Section 19-28.1-14] SOUTH DAKOTA [Codified Laws Section 37-5A-51], VIRGINIA [Code 13.1-557-574-13.1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03]. These and other states may have court decisions which may supersede the Franchise Agreement in your relationship with Franchisor including the areas of termination and renewal of your Franchise.
 2. The following states mandate that any arbitration or litigation proceedings be held in the state where Franchisee is located: Illinois, Iowa, Michigan, Minnesota, North Dakota, South Dakota, Washington, and California. The following states mandate that the franchise laws of the state where Franchisee is located govern the relationship: Illinois, Iowa, Minnesota, and South Dakota. Claims arising under the Maryland Franchise Registration and Disclosure Law may not be required to be litigated/arbitrated in a state other than Maryland. See Addendum attached as Exhibit "H".
 3. The following states require a minimum number of days to cure a default of non-payment of fees: Michigan (30 days) and Minnesota (60 days).
 4. Non-monetary defaults include: loss of possession or abandonment of the premises, relocation or transfer of the business without approval.
- * Relative to the provision for termination upon Bankruptcy, this provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C. § 101, et seq.).

ITEM 18

PUBLIC FIGURES

Sir Speedy does not use any public figure to promote its franchise.

ITEM 19

EARNINGS CLAIMS

SIR SPEEDY MAKES NO REPRESENTATIONS AS TO ACTUAL, AVERAGE, PROJECTED, OR FORECASTED PROFITS, EARNINGS, OR SALES YOU MAY EXPECT FROM THE OPERATIONS OF A SIR SPEEDY CENTER.

United States Sir Speedy Centers in business over 1 year averaged \$850,206 in gross sales for the 12-month period ended December 31, 2006. This average is based on 358 reporting franchises.*

The 2006 figures reveal that 28% or 99 of the 358 reporting Centers actually attained or surpassed \$850,206; 24% or 87 Centers exceeded \$900,000; 21.2% or 76 Centers exceeded \$1,000,000; 9.2% or 33 Centers exceeded \$1,500,000; and 5.3% or 19 Centers exceeded \$2,000,000, and 8 Centers exceeded \$3,000,000**

Of the 358 Centers in this report, 4 had been opened and operating for 1 to 5 years; 19 Centers had been opened and operating for 6 to 10 years; and 335 Centers had been opened and operating for over 10 years.**

The sales figures, although unaudited, are based upon the actual reported sales volumes of Franchisees. The earnings claim figure(s) does (do) not reflect the costs of sales or operating expenses that must be deducted from the gross revenues or gross sales figures to obtain your net income or profit. The best source of cost and expense data may be from franchisees and former franchisees, some of whom may be listed in Item 20.

Sir Speedy offers substantially the same services to each of its Franchisees. The type and extent of services offered to the public by each individual Franchisee may vary somewhat with each Franchisee. The sales volume attainable by a Franchisee is largely dependent on the type and quality of service offered to the public as well as individual sales and marketing efforts.

* Reported as of February 14, 2007, the average in this report represents approximately 78.5% of the domestic Sir Speedy Centers, in business for more than 1 year as of December 31, 2006. Those Centers not included were either in business less than 1 year, non-domestic Centers, Copies Now Centers, or Sir Speedy Centers that did not report the total years' information as of February 14, 2007.

** Specific locations available upon reasonable request.

THESE SALES ARE AVERAGES OF SPECIFIC FRANCHISES AND SHOULD NOT BE CONSIDERED AS THE ACTUAL OR POTENTIAL SALES THAT YOU WILL ACHIEVE. SIR SPEEDY DOES NOT REPRESENT THAT YOU CAN EXPECT TO ATTAIN THESE SALES. SUBSTANTIATION OF THE ABOVE AVERAGES IS AVAILABLE UPON REQUEST TO PROSPECTIVE FRANCHISEES.

Assumptions That May Be Used in Developing Projections

(Percentages given for cost of sales and for salaries and wages are recommended ranges)

Cost of Sales - Consumable raw materials and supplies for the production of digitally printed material (where applicable), copying, preparation, large format printing, mailing services and bindery, the cost of goods purchased for resale such as business cards, offset printing and rubber stamps. Cost of sales optimally should range from **28% to 32%** for efficiency.

Accounting and Legal - Expenses required for basic monthly bookkeeping and financial statement preparation. Fees may increase as sales volumes increase.

Selling and Advertising - **1%** of gross sales for network Advertising Fee for the first year of operation and **2%** of gross sales after first year, plus costs associated with yellow page advertisement, direct mail and a dedicated full-time salesperson each year.

Automobile - Based upon estimated business miles, expensed according to the appropriate IRS regulation.

Depreciation - Original equipment cost depreciated over a 3-7 year period using the straight-line method with additional equipment added as necessary to meet sales demands.

Insurance - Average cost of coverage under Sir Speedy's group business liability offered to all Franchisees is approximately \$1,000.00 to \$1,500.00 per year.

Office Supplies - Cost of miscellaneous supplies used in operating the business.

Rent - Approximate monthly rent of a new Center ranges from \$1,200 to \$4,500 per month depending on the location of the Center. Some areas may be higher.

Repairs and Maintenance - Costs associated with operating presses and cameras at various sales volumes, approximately **1%** (Offset Equipment Upgrade Option only). Monthly costs of copier maintenance agreements.

Continuing Franchise Fees - 4% of gross sales for the first year of operation and 6% of gross sales after the first year. (See Exhibit "B" of the Franchise Agreement for Continuing Franchise Fee rebates).

Salaries and Wages - Salary figures should reflect the staffing requirements for counter sales, and a production and/or binding person, and optimally should range from 20% to 25% of sales for efficiency, including employer's share of FICA, FUTA, and SUTA taxes. Owner's compensation is not included.

Taxes - Personal Property - Varies depending on individual state, county and city laws.

Telephone - Expenses associated with having two business lines, an internet connection, plus increases related to levels of sales activity.

Utilities - Expenses associated with operating the various equipment, etc.