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FRANCHISE DISCLOSURE DOCUMENT

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FRANCHISE DISCLOSURE DOCUMENT

MR. ROOTER LLC
a Texas limited liability company
1010-1020 North University Parks Drive
Waco, Texas 76707
254-745-2500 or 800-583-8003
254-745-2501 (fax)
mrrooter@dwyergroup.com (email)
www.mrrooter.com (website)

As a franchisee you will perform residential and commercial plumbing and plumbing repair services; sewer, drain and pipe cleaning services; septic tank pumping; water heater replacement; video pipe inspection; line and leak detection; excavation, replacement and repair/relining of sewer lines; replacement and repair of water service and supply lines; replacement and repair of gas service and supply lines; grease trap pumping; the rental and maintenance of portable toilet facilities; the sale and service of private sewage systems; the sale and service of water-based heating systems; the sale and service of water treatment systems; installation and service of lawn sprinkler systems; and other related services and products pursuant to certain standards and specifications.

The total investment necessary to begin operation of a Mr. Rooter® franchise ranges from $74,975 to $182,140. This includes $36,250 that must be paid to the franchisor and our affiliates. It does not include fees for additional territory (beyond the minimum 100,000), for which we charge $350 per 1,000 population.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Robert Tunmire, 1010-1020 North University Parks Drive, Waco, Texas 76707, (254) 745-2400.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: March 29, 2018

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STATE COVER PAGE

Your state may have a franchise law that requires the franchisor to register or file with a state franchise administrator before offering or selling in your state. **REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.**

Call the state franchise administrator listed in Exhibit B for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise.

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN THE COUNTY ENCOMPASSING OUR HEADQUARTERS (CURRENTLY, MCLENNAN COUNTY, TEXAS). OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN TEXAS THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT TEXAS LAW GOVERNS THE FRANCHISE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. ALL BUSINESSES OR INDIVIDUALS WHO CONSTRUCT OR ALTER ANY BUILDINGS, HIGHWAYS, ROAD, PARKING FACILITY, RAILROAD, EXCAVATION, OR OTHER STRUCTURES IN CALIFORNIA MUST BE LICENSED BY THE CALIFORNIA CONTRACTORS STATE LICENSING BOARD IF THE TOTAL COST (LABOR AND MATERIALS) OF ONE OR MORE CONTRACTS ON THE PROJECT IS $500 OR MORE. CONTRACTORS MUST BE LICENSED BEFORE SUBMITTING BIDS.

4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

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STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California:	_____, 2018
Hawaii:	_____, 2018
Illinois:	_____, 2018
Indiana:	_____, 2018
Maryland:	_____, 2018
Michigan:	_____, 2018
Minnesota:	_____, 2018
New York:	_____, 2018
North Dakota:	_____, 2018
Rhode Island:	_____, 2018
South Dakota:	_____, 2018
Virginia:	_____, 2018
Washington:	_____, 2018
Wisconsin:	_____, 2018

In all other states, this Franchise Disclosure Document's effective date is the issuance date of March 29, 2018.

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THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed franchisee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

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(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

(j) If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee or subfranchisor until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding the notice should be directed to:

State of Michigan
Consumer Protection Division
Attention: Franchise
G. Mennen Williams Building, First Floor
525 West Ottawa
Lansing, Michigan 48933
Telephone: 517-373-7117

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EXHIBITS

A FRANCHISE AGREEMENT AND SCHEDULES
- Schedule A Data Sheet
- Schedule B ACH Form
- Schedule C Personal Guarantee
- Schedule D Acknowledgement Addendum
- Schedule E Telephone Number and Internet Agreement
- Schedule F Confidentiality Agreement
- Schedule G Promissory Note and Security Agreement
- Schedule H Roll-In Addendum
- Schedule I Excluded Services Addendum
- Schedule J State Addendum

B AGENCIES/AGENTS FOR SERVICE OF PROCESS
C FINANCIAL STATEMENTS OF OUR PARENT
D PARENT GUARANTEE
E CURRENT FRANCHISEES IN THE UNITED STATES AS OF DECEMBER 31, 2017
F FRANCHISEES IN THE UNITED STATES WHO LEFT THE SYSTEM IN THE PAST 12 MONTHS AS OF DECEMBER 31, 2017
G OPTION TO PURCHASE AGREEMENT
H RENEWAL ADDENDUM
I GENERAL RELEASE [SAMPLE]
J PROTRADENET AGREEMENT
K SOFTWARE SYSTEM USER AND MAINTENANCE AGREEMENT
L ASSIGNMENT AND CONSENT AGREEMENT
M STATE ADDENDA AND FRANCHISE AGREEMENT RIDERS

APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT M.

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ITEM 1

THE FRANCHISOR, AND ANY PARENT, PREDECESSORS AND AFFILIATES

For ease of reference in this disclosure document, the franchisor, Mr. Rooter LLC, is referred to as "we," "us" or "Franchisor," and sometimes "Rooter", and the person who buys the franchise is referred to as "you", "your", or "Franchisee". The business that is operated under the Franchise Agreement is referred to as the "franchise" or the "Business" and the right to operate granted by the Franchise Agreement is sometimes referred to as the "license" or "franchise." If you are a legal entity, the provisions of the Franchise Agreement and related agreements apply to your owners.

This disclosure document outlines and summarizes some contractual obligations of both the Franchisor and the Franchisee which are found in the Franchise Agreement and other agreements. For ease of reference and understanding, these obligations may be paraphrased or described in general terms in this document. Such outlines or summaries do not supersede, replace or modify the actual text of the obligation contained in the relevant agreement.

The Franchisor and Predecessor

The Franchisor is Mr. Rooter LLC. We were converted to a Texas limited liability company on December 31, 2011. Prior to that date, we were a Texas corporation. We have not had any other predecessors during the 10 year period immediately before the date of this disclosure document. We were incorporated in the State of Texas on July 30, 1993. We maintain our principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. We do business under our corporate name and under the name MR. ROOTER®. We do not engage in any other business activity. Our agents for service of process are listed on Exhibit B.

Our Business Experience

Since 1993, we have offered franchises that provide residential and commercial plumbing and plumbing repair services; sewer, drain and pipe cleaning services; septic tank pumping; water heater replacement; video pipe inspection; line and leak detection; excavation, replacement and repair/relining of sewer lines; replacement and repair of water service and supply lines; replacement and repair of gas service and supply lines; grease trap pumping; the rental and maintenance of portable toilet facilities; the sale and service of private sewage systems; the sale and service of water-based heating systems; the sale and service of water treatment systems; installation and service of lawn sprinkler systems; and other related services and products pursuant to certain standards and specifications. We offer these franchises as "start-ups," or you have the option to convert an existing business into a Business. We do not own or operate franchises. We have not offered franchises in any other line of business, although we have, at various times, offered regional or area franchises which solicit prospective franchisees and provide services to franchisees in select areas. As of December 31, 2017, we had 197 franchises in operation in the U.S. We and/or our licensees also offer franchises internationally in various countries, as identified below. As of December 31, 2017, there were a total of 26 franchises in operation outside the U.S.

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Our Parents and Affiliates

We are a wholly-owned subsidiary of Dwyer Franchising LLC (f/k/a The Dwyer Group, Inc.) ("Parent"). The name and principal business address of each of the companies that directly or indirectly control us (i.e., Parent and its parent companies) are as follows:

Name of Company	Principal Business Address	Ownership or Control of Company
TDG Group Holding Company ("TDG Group Holding")	45 Rockefeller Center 630 Fifth Avenue, Suite 400 New York, NY 10111	Majority owned as described below
Dwyer Acquisition Parent, Inc. ("DAP")	1010-1020 North University Parks Drive, Waco, Texas 76707	Wholly owned by TDG Group Holding
TDG Holding Company ("TDGHC")	1010-1020 North University Parks Drive, Waco, Texas 76707	Wholly owned by DAP
The Dwyer Group, Inc. ("TDG")	1010-1020 North University Parks Drive, Waco, Texas 76707	Wholly owned by TDGHC
The Dwyer Group LLC ("Dwyer")	1010-1020 North University Parks Drive, Waco, Texas 76707	Wholly owned by TDG
Dwyer Franchising LLC	1010-1020 North University Parks Drive, Waco, Texas 76707	Wholly owned by Dwyer

TDG Group Holding is majority owned by both Riverside Capital Appreciation Fund VI, L.P. and Riverside Capital Appreciation Fund VI-A, L.P. (the "Riverside Limited Partnerships"). RCAF VI Associates, L.P. is the General Partner of each of the Riverside Limited Partnerships. RCAF VI Associates, L.P. (also known as the "Riverside Company") is owned by various individual investors and investor groups. The Riverside Company is a global private equity firm focused on investing in and acquiring growing businesses and it maintains its principal business address at 45 Rockefeller Center, 630 Fifth Avenue, Suite 400, New York, NY 10111.

We currently have no affiliates required to be included in this item except as provided below.

Since August 1996, Mr. Appliance LLC ("Appliance") has offered franchises which perform and provide service and repair on all major appliances for residential and commercial customers under the name MR. APPLIANCE®. At various times since 1997, Appliance has also offered regional or area franchises which solicit prospective franchisees and/or provide services to its franchisees in selected areas. Appliance maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2017, Appliance had 213 franchises in operation in the U.S. and 17 franchises in operation outside the U.S. (all in Canada). Appliance has never conducted business of the type described in this disclosure document.

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Since 1981, Rainbow International LLC ("Rainbow International") has offered franchises which provide carpet cleaning, dyeing, repair, reinstallation and related services; upholstery, drapery and ceiling cleaning and related services; and deodorization services under the names RAINBOW INTERNATIONAL®, RAINBOW INTERNATIONAL CARPET CARE & RESTORATION SPECIALIST®, RAINBOW INTERNATIONAL RESTORATION & CLEANING® and RAINBOW INTERNATIONAL RESTORATION®. In 1997, Rainbow International added an option to perform air duct cleaning services. In 2000, Rainbow International added water, smoke and disaster restoration services. In 2001, Rainbow International added an option to perform mold remediation services. At various times since 1993, Rainbow International has also offered regional or area franchises which solicit prospective franchisees and/or provide services to its franchisees in selected areas. Rainbow International maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2017, Rainbow International had 302 franchises in operation in the U.S. In addition, Rainbow International offers Rainbow franchises in the UK (through a master franchise relationship), with 66 franchises in operation in the UK as of December 31, 2017. Rainbow International has never conducted business of the type described in this disclosure document.

Since 1992, Aire Serv LLC ("Aire Serv") has offered franchises which provide installation, maintenance and repair of residential and commercial heating, ventilating and air-conditioning equipment under the name AIRE SERV®. At various times since 1992, Aire Serv has also offered regional or area franchises which solicit prospective franchisees in selected areas and/or provide services to its franchisees in selected areas. Aire Serv maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2017, Aire Serv had 164 franchises in operation in the U.S. Aire Serv has never conducted business of the type described in this disclosure document.

Since 1994, Mr. Electric LLC ("Electric") has offered franchises which perform electrical services and repairs under the name MR. ELECTRIC®. At various times since 1995, Electric has also offered regional or area franchises which solicit prospective franchisees and/or provide services to its franchisees in selected areas. Electric maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2017, Electric had 128 franchises in operation in the U.S. Electric has never conducted business of the type described in this disclosure document. In addition, as of December 31, 2017, Electric had 50 franchises in operation outside the U.S., including in Grand Cayman, Australia and South Africa (through a master franchise relationship).

Since March 2004, Synergistic International LLC d/b/a Glass Doctor ("Glass Doctor") has offered franchises that repair and replace auto and flat glass under the name GLASS DOCTOR® and also periodically offered regional or area franchises that solicit prospective franchisees and/or provide services to its franchisees in selected areas. From 1977 to March 2004, Glass Doctor's predecessors offered similar franchises. Glass Doctor maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2017, Glass Doctor had 164 franchises in operation in the U.S. Glass Doctor has never conducted business of the type described in this disclosure document.

Since April 2010, The Grounds Guys LLC ("Grounds Guys") has offered franchises which perform and provide summer and winter commercial, residential and municipal property maintenance and landscaping services and other related products and services under the name Grounds Guys®. Grounds Guys maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2017, Grounds Guys had 165 franchises in operation in the U.S. and has never conducted business of the type described in this disclosure document.

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A wholly-owned subsidiary of our Parent since January 2015, Five Star Painting, LLC (formerly Five Star Painting Inc., a Nevada corporation) ("Five Star Painting") has, since September 2007, offered franchises which perform and provide residential and commercial painting services and other related products and services under the name Five Star Painting®. Five Star Painting maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2017, Five Star Painting had 175 Five Star Painting franchises in operation in the U.S. and has never conducted business of the type described in this disclosure document. In connection with the January 2015 transaction in which Five Star Painting was acquired by our parent, the Canadian franchise agreement that was entered into with a former affiliate of Five Star Painting and all of the other 7 Canadian franchise agreements were assigned to Five Star Painting (collectively, the "Pre-Existing Franchise Agreements"). As of December 31, 2017, there were a total of 6 Five Star Painting franchises in Canada. On December 30, 2015, the Pre-Existing Franchise Agreements were assigned by Five Star Painting to The Dwyer Group Canada Inc., which is the franchisor for Five Star Painting in Canada. In addition, on March 25, 2016, our affiliate since June 2015, ProTect Painters International, LLC ("ProTect Painters"), a Michigan limited liability company, merged with and into Five Star Painting, with Five Star Painting being the surviving entity in the merger (the "Merger"). As a result of the Merger, Five Star Painting now offers franchises under both, the Five Star Painting marks and the ProTect Painters marks. As of December 31, 2017 Five Star Painting had 12 ProTect Painters franchises.

A wholly owned subsidiary of our Parent since June 2015, Molly Maid LLC, formerly Molly Maid, Inc. ("Molly Maid"), is a limited liability company formed May 8, 1984 for the purpose of franchising the Molly Maid system, which offers professional residential housekeeping services, as well as a carpet cleaning program under the name Molly Maid® in the United States. Molly Maid maintains its principal place of business at 3948 Ranchero Drive, Ann Arbor, MI 48108. As of December 31, 2017, MOLLY MAID had 475 franchises in operation in the United States and Puerto Rico.

A wholly owned subsidiary of our Parent since June 2015, Mr. Handyman International, LLC ("Mr. Handyman"), a Michigan limited liability company formed on January 6, 2000, is franchising companies dedicated to performing business and residential maintenance and repair services under the name Mr. Handyman®; Mr. Handyman in the United States and internationally. It maintains its principal business address at 3948 Ranchero Drive, Ann Arbor, MI 48108. As of December 31, 2017, Mr. Handyman had 202 franchises in the U.S. and 14 in Canada. As of December 31, 2017, Mr. Handyman also had 1 franchise in operation in the UK (through a master franchise relationship).

A wholly-owned subsidiary of our Parent since November 10, 2016, FOR Franchising, LLC ("FOR") is an Ohio limited liability company formed on December 12, 1997. Since 1998, FOR has offered franchises for the operation of a residential and commercial window cleaning, window tinting and pressure washing business operated under the Window Genie® name. It maintains its principal business address at 40 W. Crescentville Road, Cincinnati, OH 45246. As of December 31, 2017, it had 112 unit franchises in operation in the U.S. FOR no longer offers and sells master franchises, and it has never conducted business or offered franchises of the type described in this disclosure document.

On February 26, 2018, our Parent acquired all of the equity interests of (a) Property Management Business Solutions, LLC, a Utah limited liability company ("PMBS"), (b) BOI BackOffice, LLC, a Utah limited liability company, and (c) Real Property Management Canada, LLC, a Utah limited liability company. PMBS was formed on April 21, 2004 and for the past twelve years, it has been offering franchises for the operation of businesses providing property management services, including management of maintenance and repair services and rent collection ("RPM Business"). PMBS maintains its principal business address at 1455 West 2200 South, Suite 300, Salt Lake City, Utah 84119. As of

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December 31, 2017, PMBS had 280 unit franchises in operation and 3 affiliate operated units. PMBS has not previously offered franchises in any other line of business.

BackOffice, LLC, f/k/a BackOffice, Inc. ("BOI"), was incorporated in Utah on September 5, 2008 and is located at 1455 West 2200 South, Suite 300, Salt Lake City, Utah 84119. BOI provides temporary bookkeeping assistance and training services to PMBS franchisees, known as the Bookkeeping Assistance Program. BOI has not offered any franchises in any line of business. Additionally, BOI does not and has not previously conducted business of the type operated by RPM Businesses.

Real Property Management Canada, LLC, f/k/a Real Property Management Canada, Inc. ("RPMC"), was incorporated on September 5, 2008 and is located at 1455 West 2200 South, Suite 300, Salt Lake City, Utah 84119. RPMC was formed to be the franchisor of RPM Businesses in Canada, and it is currently operating in that capacity. RPMC has offered and sold one RPM Business master franchise in Canada under the name Real Canadian Property Management Limited Partnership, with 27 franchises in operation in six Canadian provinces as of December 31, 2017. RPMC does not offer franchises in any other line of business. Additionally, RPMC does not and has not previously conducted business of the type operated by RPM Businesses. The affiliates named above offer franchises using separate franchise disclosure documents. We will make any of those disclosure documents available to you upon request.

The Dwyer Group Canada, Inc. ("TDGC"), a wholly owned subsidiary of our Parent since January 1998, was incorporated in the Province of Ontario, Canada on January 21, 1998. TDGC has the right to offer and sell Mr. Handyman, Rooter, Rainbow International, Glass Doctor, Appliance, Electric, Aire Serv, Five Star Painting and Grounds Guys franchises in Canada under 3-party agreements between TDGC, us or the applicable affiliate-franchisor and the franchisee. TDGC, in cooperation with us or such affiliate-franchisor, provides support and supervision and, at times, assistance or guidance, to Canadian franchisees operating under our or the affiliate's trademarks and systems. TDGC maintains its principal place of business in Ontario, Canada at 250 Dundas Street West, Toronto, Ontario M5T 2Z5. As of December 31, 2017, TDGC had 14 Mr. Handyman franchises, 26 Rooter franchises, 20 Rainbow International franchises, 13 Glass Doctor franchises, 17 Appliance franchises, 24 Electric franchises, 13 Aire Serv, 6 Five Star Painting franchises and 29 Grounds Guys franchises in operation in Canada. TDGC offers franchises in Canada for the same type of business as described in this disclosure document.

Dwyer (UK Franchising) Limited ("Dwyer UK"), a wholly-owned subsidiary of our Parent since March 9, 2012, was incorporated in England and Wales on March 9, 2012. Dwyer UK has the right to offer and sell Aire Serv and Electric franchises in the United Kingdom using agreements between Dwyer UK and the franchisee. Dwyer UK, in cooperation with Aire Serv and Electric, provides support and supervision and, at times, assistance or guidance, to franchisees operating under those trademarks and systems in the United Kingdom. Dwyer UK maintains its principal place of business in Five Mile House, 128 Hanbury Rd., Stroke Prior, Bromsgrove, Worcester EG B60 4JZ, United Kingdom. As of December 31, 2017, Dwyer UK had 14 Electric franchises, and 3 Aire Serv franchises. Dwyer UK has the right to offer franchises in the United Kingdom for the same type of business as Aire Serv and Electric offer in the U.S. under separate franchise disclosure documents.

In October 2015, a wholly-owned subsidiary of our Parent, Drain Doctor Holdings Limited (f/k/a Dwyer DD UK Limited), a private limited company registered in England and Wales, acquired ownership of Rooter's UK master licensee that had been offering Rooter franchises in the U.K. under the name Drain Doctor® and had 53 franchises in the UK as of December 31, 2017.

Rainbow International Systemzentrale Deutschland GmbH ("Rainbow Germany"), a wholly-owned subsidiary of our Parent since September 18, 2014, was incorporated in Germany on

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September 18, 2014. Rainbow Germany has the right to offer and sell Rainbow franchises in Germany using agreements between Rainbow Germany and the franchisee. Rainbow Germany, in cooperation with us, provides support and supervision and, at times, assistance or guidance, to franchisees operating under the Rainbow marks and system in Germany. Rainbow Germany maintains its principal place of business at Flözstraße 18, 73433 Aalen, Germany. As of December 31, 2017, Rainbow Germany had 28 Rainbow International franchises in Germany. Rainbow Germany has the right to offer franchises in Germany for the same type of business as Rainbow International offers in the U.S. under a separate franchise disclosure document.

Locatec Ortungstechnik GmbH ("Locatec") is a wholly-owned subsidiary of our Parent since April 27, 2016. Locatec has the right to offer and sell Locatec franchises in Austria and Germany using agreements between Locatec and the franchisee. Locatec, in cooperation with us, provides support and supervision and, at times, assistance or guidance to franchisees operating under Locatec trademarks and systems in Germany and Austria. Locatec maintains its principal place of business at Flözstraße 18, 73433 Aalen, Germany. Locatec franchisees offer non-destructive detection of all types of leaks in pipe systems (indoor and outdoor including pipes for gas, water, sewage, and district heat) and flat roofs as well as emergency repair services. As of December 31, 2017, Locatec had 59 franchises in Austria and Germany.

Bright and Beautiful UK Limited ("Bright and Beautiful") is a wholly owned subsidiary of our Parent since April 13, 2017. Bright and Beautiful has the right to offer and sell Bright and Beautiful franchises in the United Kingdom using agreements between Bright and Beautiful and the franchisee. Bright and Beautiful provides support and supervision and, at times, assistance or guidance to franchisees operating under Bright and Beautiful trademarks and systems in the United Kingdom. Bright and Beautiful franchisees offer domestic cleaning services. As of December 31, 2017, Bright and Beautiful had 56 franchises in the United Kingdom.

Countrywide Garden Maintenance Services Limited ("Countrywide") is a wholly owned subsidiary of our Parent since May 2, 2017. Countrywide has the right to offer and sell Countrywide franchises in the United Kingdom using agreements between Countrywide and the franchisee. Countrywide provides support and supervision and, at times, assistance or guidance to franchisees operating under Countrywide trademarks and systems in the United Kingdom. Countrywide franchisees offer commercial grass cutting, landscape maintenance, grounds maintenance and winter gritting services. As of December 31, 2017, Countrywide had 49 franchises in the United Kingdom.

ZorWare LLC, a Texas limited liability company and a wholly-owned subsidiary of our Parent ("ZorWare"), provides software to us and our affiliates and provides technical support to franchisees and collects fees from franchisees for certain software programs. ZorWare maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. ZorWare does not own or operate any franchises nor has it offered franchises in any line of business.

FranTech, L.L.C., a Michigan limited liability company and a wholly-owned subsidiary of our Parent ("FranTech") provides software to us and our affiliates and provides technical support to franchisees and collects fees from franchisees for certain software programs. FranTech maintains its principal place of business at 3948 Ranchero Drive, Ann Arbor, MI 48108. FranTech does not own or operate any franchises nor has it offered franchises in any line of business.

ProTradeNet, LLC, a Delaware limited liability company ("ProTradeNet") negotiates, and sometimes enters into contracts, with some of the vendors, suppliers and others who do business or propose to do business with our and our affiliates' franchisees with the goal of obtaining better terms and

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conditions on which franchisees purchase goods and services for their businesses. ProTradeNet maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. ProTradeNet does not own or operate any franchises nor has it offered franchises in any line of business.

Handled.com LLC, a Delaware limited liability company and a wholly-owned subsidiary of our Parent ("Handled") was formed in 2011 to, among other things, negotiate, and sometimes enter into contracts with some of the Key Accounts. Handled also currently offers certain marketing and other services. Handled maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. Handled does not own or operate any franchises nor has it offered franchises in any line of business.

Riverside Micro-Cap Fund IV, L.P., an investment fund affiliated with Riverside Company, invests in various companies. Its portfolio currently includes ComForCare Health Care Holdings, Inc. ("ComForCare") which has, since April 2001 offered and sold franchises for the operation of businesses that provide: (1) companionship and personal/domestic care services, and other special needs services, primarily on a non-medical basis, for seniors and individuals of all ages so that they may remain in their residences, and (2) supplemental healthcare staffing services for persons who need this kind of assistance in their home or a facility in which they reside. In addition, certain ComForCare Home Care franchise businesses may also be authorized to provide private duty nursing services (skilled, medical services) within their territory. As of December 31, 2017, ComForCare had 190 locations in the United States and 7 in Canada. ComForCare maintains its principal place of business at 2520 S. Telegraph Rd., Suite 201, Bloomfield Hills, MI 48302. ComForCare has not operated, or offered franchises for, businesses of the type described in this disclosure document.

Riverside Micro-Cap Fund IV, L.P.'s portfolio also currently includes CarePatrol Franchise Systems LLC ("CarePatrol") which has, since January 2012, offered and sold franchises for the operation of businesses that provide assisted living referral and senior placement services as well as information and marketing services to families looking for assisted living, in-home care, and other senior related services. As of December 31, 2017, CarePatrol had 142 locations in the United States. CarePatrol maintains its principal place of business at 1760 East Pecos Road, Suite 338, Gilbert, AZ 85295. CarePatrol has not operated, or offered franchises for, businesses of the type described in this disclosure document.

Riverside Micro-Cap Fund I, L.P., an investment fund affiliated with Riverside Company, invests in various companies. Its portfolio currently includes It's Just Lunch International LLC ("IJL") which has, since April 2001 offered and sold franchises for the operation of businesses that provide dating, introduction and match-making services. As of December 31, 2017, there were 4 IJL franchises in the United States, and 1 franchise in Canada. IJL's principal place of business is located at 74130 Country Club Drive, Suite 202, Palm Desert, CA 92260. IJL has not operated, or offered franchises for, businesses of the type described in this disclosure document.

Except as noted above, none of our affiliates have offered franchises in the same line of business as offered in this disclosure document.

Description of the Franchise

You will perform residential and commercial plumbing and plumbing repair services; sewer, drain and pipe cleaning services; septic tank pumping; water heater replacement; video pipe inspection; line and leak detection; excavation, replacement and repair/relining of sewer lines; replacement and repair of water service and supply lines; replacement and repair of gas service and supply lines; grease trap pumping; the rental and maintenance of portable toilet facilities; the sale and service of private sewage

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systems; the sale and service of water-based heating systems; the sale and service of water treatment systems; installation and service of lawn sprinkler systems; and other related services and products pursuant to certain standards and specifications. You may not engage in the restoration or mitigation of premises and contents damaged by fire, flood and other causes. You will operate the franchised business under our service mark MR. ROOTER®, and the additional principal service marks, trademarks, trade names, logos, emblems, slogans or indicia of origin which are or may be designated by us in the future (the "Marks") for use in accordance with the methods and processes developed by us in connection with the franchise (the "System") within a specified geographical area (the "Territory"). You may, if we approve, convert an existing business offering similar services to a Business or add additional territory to a Business under the terms stated in the Franchise Agreement and related agreements.

The standard form of franchise agreement we are now offering is included in this disclosure document as Exhibit A (the "Franchise Agreement"). When we update our disclosure document, the form of franchise agreement and other agreements may change, fees and other obligations may increase, and the terms and conditions on which you may obtain a franchise may be less favorable as compared with a previous disclosure document.

Uniformity of franchise agreements among our franchisees may not always be possible or practical. We have offered in the past and we may offer in the future, franchise agreements to other franchisees on terms materially different from those set forth in this disclosure document. We also may materially vary the franchise agreement terms, conditions, and obligations (including those relating to fees, territories, training and other items) offered to other franchisees and we have no obligation to disclose these variations to you or to grant the same or similar variation to you.

The Business offers services to the general public, including residential and commercial customers, and the services are offered in a developed market. There are other nationally recognized trade names in the plumbing industry. You will compete with other plumbers and drain cleaners. Our affiliate, Aire Serv, performs hydronics heating services and you may compete with an AIRE SERV® franchisee in this service in your territory when you open for business or sometime in the future as the Aire Serv system expands. Our affiliate Appliance performs appliance repair and installation services and you may compete in your territory with a Mr. Appliance® franchisee in certain services, including installation of water heaters and other small repair/maintenance items. The franchisees of our affiliate, Mr. Handyman, perform maintenance and repair services and you may compete in your territory with a MR. HANDYMAN® franchisee if they are, or contract with, a licensed plumber, or if they perform certain maintenance and repair services that do not require licensing from the jurisdiction having authority, when you open for business or sometime in the future as the Mr. Handyman system expands. The franchisees of our Affiliate, PMBS, perform property management services for rental properties under such franchisees' management, which services include the management of maintenance and repair services, and you may compete in your territory with a Real Property Management franchisee with respect to these services when you open for business or sometime in the future as the PMBS system expands.

Industry Specific Regulations

Federal, state and local labor regulations, including minimum age and minimum wage laws and other laws and regulations apply to businesses generally. There are national standards regulating the plumbing industry, including the Clean Air Act. There are state or other local codes, ordinances or statutes which license or regulate plumbers and these regulations could affect the operation of your franchised business. These laws vary from place to place. You are responsible for obtaining a plumbing license and other licenses or permits required by your locality for performing the work of the franchise. There may be other laws that apply to the Business and you should investigate these laws.

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ITEM 2

BUSINESS EXPERIENCE

President: Doyle James

Mr. James has been our President since August 2015. From February 2004 to August 2015, he was President of Aire Serv. From February 2006 to December 31, 2012 and again from August 2014 to October 2016 he was President of our affiliate, ProTradeNet.

Vice President of Operations: Glenn Gallas

Mr. Gallas has been our Vice President of Operations since March 2016. From September 2013 to March of 2016, he was a Franchise Consultant for Mr. Rooter. From February 2000 to October 2013, he was President of Gallas Inc., in Hot Springs, Arkansas.

Vice President and Secretary: Jason Fulton

Mr. Fulton has been our Vice President and Secretary since May 2016. Since May 2016 he has also been Vice President, Secretary and a Director of TDG Group Holding and an officer of many of our affiliated companies. He joined Riverside in September 2011 and is based in the firm's Cleveland, Ohio office.

Treasurer and Parent Chief Financial Officer: Jon Shell

Mr. Shell has been our Treasurer since September 2015. He has also been Chief Financial Officer of our Parent since September 2015. From June 2012 to September 2015 he was Chief Financial Officer for Barbecue Integrated, Inc. in Orlando, Florida. From January 2009 to June 2012 he was a Member of J&H Shell, LLC in Denver, North Carolina.

Chief Strategy & Marketing Officer: Lisa Zoellner

Ms. Zoellner has been Chief Strategy & Marketing Officer for us and a number of our affiliates, including our Parent, since January 2016. From October 2015 to December 2015 she was self-employed in Austin, Texas. From June 2012 to September 2015 she was Chief Marketing Officer for Golfsmith International in Austin, Texas. From June 2007 to May 2012 she was Chief Marketing Officer for Gold's Gym International in Dallas, Texas.

Senior Vice President of Marketing: Cody Pierce

Mr. Pierce has been our Senior Vice President of Marketing since March 2016. From January 2012 to March 2016, Mr. Pierce was the Vice President of Marketing for Pizza Ranch Inc. in Orange City, Iowa.

Vice President of Franchise Development Marketing: Adam Kirschman

Mr. Kirschman has been our Vice President of Franchise Development Marketing since September 2017. From April 2015 to August 2017, Mr. Kirschman was the Senior Franchise Marketing Manager for TBC Corporation in Palm Beach Gardens, Florida. From September 2011 to April 2015, he was the Director of Marketing at Harris Research in Logan, Utah and Nashville, Tennessee.

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TDG Group Holding Co-Chairwoman of the Board: Dina Dwyer-Owens

Ms. Dwyer-Owens has been Co-Chairwoman of the Board of TDG Group Holding since August 2014. For more than five years prior to that she was President and Chief Executive Officer and a Director of our Parent and a Director and officer of many of our affiliated companies.

Parent President and Chief Executive Officer: Michael B. Bidwell

Mr. Bidwell has been President and Chief Executive Officer of our Parent since February 2014. He has been a Director of TDGHC and DGI from December 2010 to August 2014; President of our Parent from March 2007 to August 2014; and Chief Operating Officer of our Parent from July 2000 to February 2014.

Parent Chief Operating Officer: Mary Kennedy Thompson

Ms. Thompson has been Chief Operating Officer of our Parent since August 2015 and was Executive Vice President of our Parent from February of 2014 to July 2015. In 2013 she was named the Director of Veteran Affairs for our Parent. She was President of Rooter from October 2006 to July 2015.

Parent Executive Vice-President, Robert Tunmire

Mr. Tunmire has been Executive Vice President of our Parent since December 1998. His duties include supervision of franchise sales staff.

Parent Senior Vice President of Trades Brands, Douglas C. Rogers

Mr. Rogers has been the Senior Vice President of Trades Brands for our Parent since October 2016. He has also been the President of Appliance since March 2006.

Parent Senior Vice President of Franchise Development: Brandon Haire

Mr. Haire has been Senior Vice President of Franchise Development for Parent since January 2017. Mr. Haire has also been the Vice President of Franchise Development for Appliance and Aire Serv since April 2015. From May 2013 to March 2015, he was the Franchise Development Leader for Appliance and Air Serv. From October 2011 to May 2013, he was a Franchise Developer for Aire Serv.

Except as otherwise stated above, the location of each of the positions described above was 1010-1020 North University Parks Drive, Waco, Texas 76707.

ITEM 3

LITIGATION

KB Industries, Kimberly Gandy and Robert Hosier v. Mr. Appliance, LLC, Dwyer Group, Inc., Dwyer Franchising LLC, The Dwyer Group LLC, The Finance Store, Inc., ProTradeNet, LLC, Mark Bruckbauer and Grey Nguyen and John Does, (United States District Court for the Northern District of Illinois, Case No. 3:16-cv-50202, filed May 17, 2016 and removed on June 23, 2016). Plaintiffs are former franchisees of Mr. Appliance, LLC (the "Franchisor"). Other defendants include affiliates of Franchisor (the "Dwyer Group Defendants") and The Finance Store, which was an approved third party vendor of the Franchisor and ProTradeNet. ProTradeNet is an affiliate of the Franchisor that provides or makes available vendor related services to franchisees. The Finance Store is not an affiliate of

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Franchisor. The Plaintiffs alleged that Dwyer Group Defendants endorsed and steered Plaintiffs to The Finance Store, a third party finance company, through negligent and fraudulent conduct, including the failure to properly vet The Finance Store as a vendor, which resulted in Plaintiffs using the financing services of The Finance Store. The Plaintiffs further alleged that The Finance Store was involved in negligent and fraudulent conduct in assisting Plaintiffs with financing arrangements for their business. The Plaintiffs closed their business in February 2016. The Plaintiffs sought damages in an amount exceeding $50,000, plus fees and costs and punitive damages. The Plaintiffs' First Amended Complaint alleged the following claims against the Dwyer Group Defendants: 1) negligent misrepresentation; 2) fraud; 3) violation of the Illinois Consumer Fraud and Deceptive Business Practices Act; and 4) endorser liability. The Plaintiffs' initial complaint asserted a RICO claim against the Dwyer Group Defendants. The Dwyer Group Defendants filed a motion to dismiss the Plaintiff's RICO claim which caused the Plaintiffs to voluntarily withdraw their RICO claim against Dwyer Group Defendants. Additionally, Dwyer Group Defendants filed a motion for judgment on the pleadings, which the court recently granted in an Order dated February 28, 2018, finding as a matter of law that Plaintiffs has not stated a plausible claim for negligence against the Dwyer Group Defendants. The court allowed Plaintiffs leave to file an additional amended complaint if they can do so consistent with their Rule 11 obligations. If that occurs, the Dwyer Group Defendants intend to continue to defend this action vigorously.

Karen Angel, Gainsey Angel and K & G Angel, Inc., an Illinois Corporation v. Mr. Rooter Corporation, a Texas corporation and The Dwyer Group, a Delaware corporation, et al, filed June 7, 2010, Case No. 2010L000726 in the Circuit of the Eighteenth Judicial Circuit Court, Wheaton, Illinois. Former franchisees, Karen Angel, Gainsey Angel and K & G Angel, Inc., an Illinois Corporation ("Plaintiffs") alleged that Mr. Rooter Corporation and/or The Dwyer Group ("Defendants") made certain representations, including representations about the amount of business/financial success available to Plaintiffs as a franchised business in connection with their purchase of a franchise, and the exclusivity of the license granted to Plaintiffs, remedies in the event of encroachment by another franchisee and licensing requirements for a Mr. Rooter franchised business; then allegedly failed to take action against alleged "infringing" activity (doing business/encroaching in Plaintiffs' exclusive territory) of another franchisees of Rooter. Plaintiffs further alleged that, as a result of these actions/inaction and the requirement that they perform warranty work for no compensation on work not originally performed by them, their business failed and their franchise was terminated. Plaintiffs alleged that Defendants' action/inaction and alleged knowledge of the infringing activities of the other franchisees, as well as alleged "tacit agreement"(s) with another franchisees, amounted to a breach of contract, fraud, civil conspiracy, and tortuous interference with contract, intentional infliction of emotional distress, and fraud and deceptive or unfair trade business practices. Plaintiffs sought $50,000 for each of the alleged twelve counts stated in their complaint. Plaintiffs asked for actual damages in excess of $50,000 as well as (for certain counts) punitive damages, and attorney's fees, costs and "other or further relief as the court deems just and equitable." We denied the allegations and filed a motion to dismiss the case on September 13, 2011. Shortly thereafter Plaintiffs filed for bankruptcy. The Angels were discharged as joint debtors on December 28, 2011. Prior to the bankruptcy, we filed a motion to transfer the case to arbitration. On October 27, 2015 the court ordered the Plaintiffs to remand their case to arbitration. On November 30, 2015 the Plaintiffs filed a motion to reconsider claiming that the Plaintiffs did not have the funds to pay the arbitration filing fees. On February 2, 2016 the court denied their motion. On February 5, 2018, the AAA arbitrator issued a reasoned award concluding the arbitration, in which the arbitrator denied and dismissed all five counts of the Plaintiff's claims and awarded to us $143,250 in damages on our counter-claim. On February 21, 2018, the Plaintiffs filed a Motion to Vacate the Arbitration Award. We intend to continue to defend this action vigorously and will oppose Plaintiff's motion by asserting that it fails on procedural grounds and is substantively without merit.

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Jon Commander vs. Jeremy Bowman and All American Towing & Recovery, Inc./Jeremy Bowman vs. Jon Commander and Mr. Rooter Corporation/Jon Commander vs. Mr. Rooter Corporation (Case No. 502009A00864XXXXMBAO in the Circuit Court of the Fifteenth Judicial Circuit in and For Palm Beach County, Florida). Our franchisee, Jon Commander ("Plaintiff") filed a claim against another franchisee of ours, Jeremy Bowman, on March 11, 2009, alleging fraud, breach of contract and tortuous interference in connection with the sale of a Mr. Rooter franchised business by Jeremy Bowman ("Bowman") to the Plaintiff. On March 17, 2010, Plaintiff filed a crossclaim against us alleging that in his purchase of the business from Bowman he relied on statements we made or impliedly made about the honesty of Bowman when we knew or should have known that those statements were not accurate and Bowman then breached his purchase contract with Plaintiff. Plaintiff also alleged that we refused to enter into a franchise agreement with him until he attended training and paid the brokers fee and transfer fee for the purchase. Plaintiff further alleged that our actions amounted to fraud, for which Plaintiff sought damages in excess of $250,000; negligent misrepresentation, for which Plaintiff sought damages in excess of $250,000; duress, for which Plaintiff seeks unspecified damages and attorney's fees; and conspiracy, for which Plaintiff sought damages in excess of $65,000. Plaintiff also sought such "other and further relief as the Court deems just and proper." The Court dismissed Plaintiff's crossclaim and Bowman's Amended Counterclaim, On May 7, 2010, Plaintiff filed a Third Party Complaint against us alleging Fraud in the Inducement; Negligent Misrepresentation; Duress; Conspiracy; and Equitable Contribution (claiming that we should be liable for any judgment against Plaintiff due to Bowman's counterclaim). We filed a Motion to Dismiss Bowman's Amended Counterclaim with prejudice, and requested that Bowman be precluded from amending the counterclaim, and/or filing a Third party Complaint against us. The parties agreed to mediate the dispute and the mediation took place on October 21, 2010. The matter was resolved and a settlement agreement was reached between us and Plaintiff. The terms of settlement were: (1) Plaintiff dismiss his third party action against us with each party paying its own costs,; (2) mutual release between Plaintiff and us; (3) we use best efforts to sell Plaintiff's franchise (4) no transfers fees will be imposed on sale; (5) from October 21, 2010 through the earlier of one year or when the franchise is sold, Plaintiff will not be required to pay any minimums; if the year passes without the franchise being sold, mutual releases will be exchanged and the franchise agreement terminated and Plaintiff will be allowed to retain the phone numbers, business assets and the right to operate a plumbing business in his territory provided that he totally de-identifies with our brand; (6) we pay Plaintiff's (not Bowman's) share of the mediation charges; (7) Claims against Bowman are expressly reserved by Plaintiff and us; (8) Plaintiff agrees and we agree to confidentiality and non-disparagement and to abide by the terms of the franchise agreement consistent with the terms of settlement. Subsequently, on or about December 7, 2010, Bowman filed a Voluntary Dismissal of the Third Party Complaint without prejudice.

Beacon Plumbing & Mechanical, Inc. vs. Sposari Inc. dba Mr. Rooter Plumbing Services, Mr. Rooter LLC, The Dwyer Group, Inc., The Dwyer Group LLC, and John Does 1-100 (Case No. 2:15-CV-01613 in the U.S.D.C., W.D., Washington at Seattle). Plaintiff filed this action on October 9, 2015 claiming federal and state trademark dilution, state trademark infringement, federal false advertising, violation of the Anticybersquatting Consumer Protection Act and the Washington Consumer Protection Act, tortious interference with business expectancy, and common law infringement and unfair competition. Plaintiff seeks injunctive relief and unspecified statutory, compensatory and consequential damages. Defendants deny any wrongdoing on their part and attribute any wrongdoing to the third party provider that created the subdomain involving the Beacon Plumbing name. Defendants filed a Motion to Dismiss certain counts of the Complaint and also a Motion to Stay Discovery and pre-trial deadlines pending resolution of the Motion to Dismiss, which Motion to Stay was granted by the Court. On March 17, 2016 the Court entered its Order Granting in Part, Denying in Part Defendants' Motion to Dismiss. The federal trademark dilution claim and the Anticybersquatting Consumer Protection Act claim have been dismissed with prejudice. The stay was lifted subsequent to the issuance of the Order on the Motion to Dismiss. The parties settled this matter on March 22, 2017 with Mr. Rooter LLC paying

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