

MAR 1 7 2011

March 16, 2011

Mr. Daniel E. Sexton Department of Commerce 85 7<sup>th</sup> Place East, Suite 500 St. Paul, Minnesota 55101

Re:

NMFC, Inc. d/b/a Matco Tools ("Mateo")

Fi**y∳** F-2705

Revised FDD Péges

Dear Mr. Sexton:

Matco has made a change to Item 8 of its FDD to correct a typo to the revenue information and a change to Item 19 to clarify one of the notes. Accordingly, enclosed are clean and redline pages for Matco's FDD. Please replace these pages in your copies of the Matco FDD.

Please contact me if you have any questions or comments.

Sincerely,

Plave Koch PLC

By: Mark A. Kirsch able

Via FedEx Enclosures PK 27694.2

> Plave Koch PLC 12355 Sunrise Valley Drive, Suite 230 Reston, Virginia 20191-3492 United States of America

> > www.PlaveKoch.com

Mark A. Kirsch MKirsch@PlaveKoch.com direct phone 703.774.1210 direct fax 703.774.1201 figure is the test or lab fee for the prospective distributor drug test, discussed in Item 5 above and the charge for document processing and filing as described in Item 5 above and Item 10 below. This estimate in this Item 7 is not an assurance that your Distributorship will be profitable. The estimated additional funds do not include any salary or draw for you to pay personal living expenses. Since the cost of personal living expenses varies greatly among Distributors, Mateo does not include those expenses in its estimates for your initial investment. As part of your financial planning, you must take your personal living expenses into account during periods of insufficient cashflow.

#### (8) RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You are required to sell only Products approved in writing by Mateo. You must purchase the Products only from suppliers who have been approved in writing by Mateo. Currently, Mateo is the only approved supplier of Products. All Products purchased from Mateo are resalable items.

- a. The Products are sold to you at a discount from recommended list price. The discounts from the recommended list price vary from Product to Product, and may vary throughout the year based on special incentives or other promotions. The weighted average discount for all Products prior to additional promotions and other discounts is currently approximately 35%. The weighted average discount reflects the total of all hems sold by Mateo as well as the varying discounts from list price for different items.
- b. Volume Payment to Terms ("VPTT") Bonus. If a Distributor pays Mateo for products within 14 days of the Mateo invoice on a consistent basis, the Distributor will receive a rebate. The Volume Payment to Terms Bonus is that rebate. The rebate is based on the Distributor's 6-week purchase average, and the rebate ranges from 3% to 5.25%. The average VPTT earned in 2010 was 1.93% of overall sales. (If you are not in compliance which the requirement to purchase at least 80% of the National Distributor Purchase Average, the ratio of purchase average to sales average (both of which are discussed in Item 6 above), or other standards or requirements under the Distributorship Agreement or the Manuals, Mateo may modify the VPTT Bonus such that the Bonus will only apply if you pay for products within 7 days of receipt of the invoice.)

The purchase of initial inventory from Mateo constitutes a range of approximately 26% to 63% of the cost of the establishing the Distributorship. Purchases of the Products throughout the term of the Distributorship will constitute approximately 61% of the cost of operating the Distributorship.

Mateo will derive income from the sale of the Products by charging you wholesale prices that exceed Mateo's costs of supplying the Products. In the fiscal year ended December 31, 2010, Mateo's total revenue from the sale of Products to its franchise distributors was \$230,903,000, or 82.2% of Mateo's total revenue of \$280,886,000, as reflected in Mateo's audited financial statements.

You are required to license, install, and utilize the MDBS Software (as described in Items 5 and 6 of this Disclosure Document) in your business. The software license fee amount is income to Mateo, and constitutes less than 1% of the cost of establishing the Distributorship, and less than 1% of the ongoing cost of operating the Distributorship. In the fiscal year ended December 31, 2010, Mateo's total revenue from software license fees and software maintenance charges received from its distributors was \$778,212, or approximately 0.3% (three-tenths of one percent) of Mateo's total revenue.

As discussed in Item 5, when you sign the Distributorship Agreement, you must also sign the Mateo Web Page Agreement, which permhs you to establish a subpage on Mateo's website. You must pay Mateo a one-time web page set-up fee of \$195. If you continue to utilize a subpage, and neither we nor you cancel the Web Page Agreement, you must pay Mateo an annual \$195 maintenance fee. In fiscal year 2010, Mateo received \$213,330 in web page fees (initial and maintenance fees) from franchisees. This amount was less than one-tenth of one percent (0.1%) of Mateo's total revenue.

## Chart 19-B Distributor Sales Margins – 2010

Presented below are the average sales margins for the 1,006 Distributors in 2010. The "average sales margins" data is segregated into the same groups as in Chart 19-A.

Mateo's 1,006 Distributors reported the following average sales margins in 2010:

<u>Top 1/3</u>		Middle 1/.	3	Bottom 1/3	
37.3% of purchase price		37.4% of purchase price		34.9% of purchase price	
No. of Distributors Above Average	243	No. of Distributors Above Average	246	No. of Distributors Above Average	204
No. of Distributors Below Average	93	No. of Distributors Below Average	90	No. of Distributors Below Average	130

The information in Chart 19-B is explained in Note 3 below. Please read carefully all of the information in this Item 19, and all of the notes following the data, in conjunction with your review of the historical data.

#### **Notes**

- 1. The charts reflect the operating data for 1,006 Mateo Distributors in the United States that were in business for all of 2010, and that reported sales for at least 48 weeks during 2010. Mateo is not providing, and this chart does not reflect, information regarding Distributors who started during 2010, or those who left the system or stopped selling Mateo products during 2010. The three groupings of Distributors (Top 1/3, Middle 1/3 and Bottom 1/3) included 336 Distributors in the Top 1/3 group, 336 Distributors in the Middle 1/3 group, and 334 Distributors in the Bottom 1/3 group.
- 2. The terminology, "Average Total Completed Business," as used in Chart 19-A means the total cash or revenue a Distributor received during 2010 including sales tax collected, from the sale of all products and services. This includes revenue from the sale of Mateo Products and products acquired from third parties. The revenue received by the Distributors is comprised of cash sales, Time Payment collections from previous sales, credits received by the Distributor from the sale of PSA (Purchase Security Agreements, which are installment contracts; see Item 10 above), cash received based on monthly invoices and customers (usually products sold to a shop or business, and not an individual), and rebates based on timely payments for products (see note 3 below). The average is comprised by adding the total business for all Distributors in the group, and dividing that number by the number of Distributors in the group. This does not include any Volume Payment to Terms bonus, or rebate payments.
- 3. Chart 19-B: As discussed in Item 8 above, Mateo sells Products to Distributors at discounts from the recommended list price. And there are varying discounts on different Products, as well as specials and promotions throughout the year. The Distributors may sell the Products at any price they choose. The "sales margin" is a percentage that reflects the difference between the Distributor's selling price for a Product and the price the Distributor paid for the Product. For example, if a Distributor paid \$65 for a Product and sold it for \$100, the sales margin would be 35% (\$100-\$65 = \$35; \$35 divided by \$100 = 35%.) The "average sales margin" was calculated in MDBS for each Distributor based on the Distributor's purchases and sales of

Products in 2010. The data in Chart 19-B reflects the average sales margins for all Distributors in the sample, segregated by thirds as in Chart 19-A. Each grouping of a third of the Distributors is an average for the Distributors in that specific group (Top 1/3, Middle 1/3 and Bottom 1/3).

- 4. The data in the charts is obtained from the Distributors through the MDBS system (see Item 11). As Distributors purchase products from Mateo, they also report on sales made and revenue received. A weekly sales report is generated if the Distributor places an order to purchase products in a given week. Therefore, the information in the chart is based solely on data received from the Distributors through MDBS. These figures have not been reviewed or audited by Mateo.
- 5. Substantiation of the data used in preparing the materials in these Item 19 charts will be made available to you upon reasonable request.
- 6. Actual results vary from Mateo Distributorship to Mateo Distributorship. Your sales, revenue and income will be affected by a variety of factors, including your sales and marketing skills; your frequency of visits to actual and potential customers; efforts to collect on unpaid invoices or installment contracts; retail prices you charge for products; discounts you may offer; prevailing economic or market conditions; demographics; interest rates; your capitalization level; the amount and terms of any financing that you may secure; and your business and management skills.
- 7. Other than revenue figures above, the charts do not include any estimate of, or specific or historic data regarding, costs, expenses or debts that a Distributor has incurred, or may in the future incur. We cannot predict or project your costs and expenses. The following is a list of the types of expenses that a Mateo Distributor may incur:
  - Labor costs, including payroll, taxes and benefits (which may include health and/or life insurance, vacation, and pension plan contributions) for you, the individual Distributor, or any employee.
  - Cost of goods sold, which includes wholesale cost of products that may be offered.
  - Truck costs, including lease or purchase payments, maintenance, gas, and similar costs.
  - Insurance.
  - Marketing and promotional costs.

The types of expenses, and the amount of costs and expenses, are likely to vary from Mateo Distributor to Mateo Distributor and from list of calls to list of calls. These may not be all of the expenses that you may incur.

- 8. Prospective distributors should be aware that in evaluating a financial performance representation or an earnings claim that includes revenue or sales figures only, or does not include all costs of goods sold, operating expenses, and other expenses, that costs and expenses must be deducted from the gross revenue or gross sales figures to obtain net income or profit. This Item 19 financial performance representation does not include net income or profit.
- 9. The information in this Item 19 reflects the aggregate results of 1,006 Mateo Distributors. It is not a representation or guarantee that you will or may achieve any particular level of revenue, sales, or profits in the operation of your Distributorship. We cannot estimate or predict the results that you may experience as a distributor. You are strongly advised to conduct an independent investigation of this opportunity to evaluate the expected or potential costs and expenses you will incur as a Mateo Distributor. You should consult your attorney, accountant, and other professional advisors. Also, current and former Distributors listed in this Disclosure Document may be one source of information.



figure is the test or lab fee for the prospective distributor drug test, discussed in Item 5 above and the charge for document processing and filing as described in Item 5 above and Item 10 below. This estimate in this Item 7 is not an assurance that your Distributorship will be profitable. The estimated additional funds do not include any salary or draw for you to pay personal living expenses. Since the cost of personal living expenses varies greatly among Distributors, Mateo does not include those expenses in its estimates for your initial investment. As part of your financial planning, you must take your personal living expenses into account during periods of insufficient cashflow.

#### (8) RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You are required to sell only Products approved in writing by Mateo. You must purchase the Products only from suppliers who have been approved in writing by Mateo. Currently, Mateo is the only approved supplier of Products. All Products purchased from Mateo are resalable items.

- a. The Products are sold to you at a discount from recommended list price. The discounts from the recommended list price vary from Product to Product, and may vary throughout the year based on special incentives or other promotions. The weighted average discount for all Products prior to additional promotions and other discounts is currently approximately 35%. The weighted average discount reflects the total of all items sold by Mateo as well as the varying discounts from list price for different items.
- b. Volume Payment to Terms ("VPTT") Bonus. If a Distributor pays Mateo for products within 14 days of the Mateo invoice on a consistent basis, the Distributor will receive a rebate. The Volume Payment to Terms Bonus is that rebate. The rebate is based on the Distributor's 6-week purchase average, and the rebate ranges from 3% to 5.25%. The average VPTT earned in 2010 was 1.93% of overall sales. (If you are not in compliance with the requirement to purchase at least 80% of the National Distributor Purchase Average, the ratio of purchase average to sales average (both of which are discussed in Item 6 above), or other standards or requirements under the Distributorship Agreement or the Manuals, Mateo may modify the VPTT Bonus such that the Bonus will only apply if you pay for products within 7 days of receipt of the invoice.)

The purchase of initial inventory from Mateo constitutes a range of approximately 26% to 63% of the cost of the establishing the Distributorship. Purchases of the Products throughout the term of the Distributorship will constitute approximately 61% of the cost of operating the Distributorship.

Mateo will derive income from the sale of the Products by charging you wholesale prices that exceed Mateo's costs of supplying the Products. In the fiscal year ended December 31, 2010, Mateo's total revenue from the sale of Products to its franchise distributors was \$230,903,000. or 82.2% of Mateo's total revenue of \$280,886,000, as reflected in Mateo's audited financial statements.

You are required to license, install, and utilize the MDBS Software (as described in hems 5 and 6 of this Disclosure Document) in your business. The software license fee amount is income to Mateo, and constitutes less than 1% of the cost of establishing the Distributorship, and less than 1% of the ongoing cost of operating the Distributorship. In the fiscal year ended December 31, 2010, Mateo's total revenue from software license fees and software maintenance charges received from its distributors was \$778,212, or approximately 0.3% (three-tenths of one percent) of Mateo's total revenue.

As discussed in Item 5, when you sign the Distributorship Agreement, you must also sign the Mateo Web Page Agreement, which permits you to establish a subpage on Mateo's website. You must pay Mateo a one-time web page set-up fee of \$195. If you continue to utilize a subpage, and neither we nor you cancel the Web Page Agreement, you must pay Mateo an annual \$195 maintenance fee. In fiscal year 2010, Mateo received \$213,330 in web page fees (initial and maintenance fees) from franchisees. This amount was less than one-tenth of one percent (0.1%) of Mateo's total revenue.

# Chart 19-B Distributor Sales Margins – 2010

Presented below are the average sales margins for the 1,006 Distributors in 2010. The "average sales margins" data is segregated into the same groups as in Chart 19-A.

Mateo's 1,006 Distributors reported the following average sales margins in 2010:

<u>Top 1/3</u>	Middle 1/3		Bottom 1/3		
37.3% of purchase pr	ce 37.4% of purchase	37.4% of purchase price		34.9% of purchase price	
No. of Distributors Above Average 24	No. of Distributors Above Average	246	No. of Distributors Above Average	204	
No. of Distributors Below Average 93	No. of Distributors Below Average	90	No. of Distributors Below Average	130	

The information in Chart 19-B is explained in Note 3 below. Please read carefully all of the information in this Item 19, and all of the notes following the data, in conjunction with your review of the historical data.

#### Notes

- 1. The charts reflect the operating data for 1,006 Mateo Distributors in the United States that were in business for all of 2010, and that reported sales for at least 48 weeks during 2010. Mateo is not providing, and this chart does not reflect, information regarding Distributors who started during 2010, or those who left the system or stopped selling Mateo products during 2010. The three groupings of Distributors (Top 1/3, Middle 1/3 and Bottom 1/3) included 336 Distributors in the Top 1/3 group, 336 Distributors in the Middle 1/3 group, and 334 Distributors in the Bottom 1/3 group.
- 2. The terminology, "Average Total Completed Business," as used in Chart 19-A means the total cash or revenue a Distributor received during 2010 including sales tax collected, from the sale of all products and services. This includes revenue from the sale of Mateo Products and products acquired from third parties. The revenue received by the Distributors is comprised of cash sales, Time Payment collections from previous sales, credits received by the Distributor from the sale of PSA (Purchase Security Agreements, which are installment contracts; see Item 10 above), cash received based on monthly invoices and customers (usually products sold to a shop or business, and not an individual), and rebates based on timely payments for products (see note 3 below). The average is comprised by adding the total business for all Distributors in the group, and dividing that number by the number of Distributors in the group. This does not include any Volume Payment to Terms bonus, or rebate payments.
- 3. Chart 19-B: As discussed in Item 8 above, Mateo sells Products to Distributors at discounts from the recommended list price. And there are varying discounts on different Products, as well as specials and promotions throughout the year. The Distributors may sell the Products at any price they choose. The "sales margin" is a percentage that reflects the difference between the Distributor's selling price for a Product and the price the Distributor paid for the Product. For example, if a Distributor paid \$40065 for a Product and sold it for \$435100, the sales margin would be 35% (\$435100-\$10065 = \$35; \$35 divided by \$100 = 35%.) The "average sales margin" was calculated by in MDBS for each Distributor by-adding-all-of-the-distributor's-sales

margins—for—all—sales—in—2010,—and—dividing—that—number—by—the—total—number—of—sales—made—<u>based on the Distributor's purchases and sales of Products</u> in 2010. The data in Chart 19-B reflects the average sales margins for all Distributors in the sample, segregated by thirds as in Chart 19-A. Each grouping of a third of the Distributors is an average for the Distributors in that specific group (Top 1/3, Middle 1/3 and Bottom 1/3).

- 4. The data in the charts is obtained from the Distributors through the MDBS system (see Item 11). As Distributors purchase products from Mateo, they also report on sales made and revenue received. A weekly sales report is generated if the Distributor places an order to purchase products in a given week. Therefore, the information in the chart is based solely on data received from the Distributors through MDBS. These figures have not been reviewed or audited by Mateo.
- 5. Substantiation of the data used in preparing the materials in these Item 19 charts will be made available to you upon reasonable request.
- 6. Actual results vary from Mateo Distributorship to Mateo Distributorship. Your sales, revenue and income will be affected by a variety of factors, including your sales and marketing skills; your frequency of visits to actual and potential customers; efforts to collect on unpaid invoices or installment contracts; retail prices you charge for products; discounts you may offer; prevailing economic or market conditions; demographics; interest rates; your capitalization level; the amount and terms of any financing that you may secure; and your business and management skills.
- 7. Other than revenue figures above, the charts do not include any estimate of, or specific or historic data regarding, costs, expenses or debts that a Distributor has incurred, or may in the future incur. We cannot predict or project your costs and expenses. The following is a list of the types of expenses that a Mateo Distributor may incur:
  - Labor costs, including payroll, taxes and benefits (which may include health and/or life insurance, vacation, and pension plan contributions) for you, the individual Distributor, or any employee.
  - Cost of goods sold, which includes wholesale cost of products that may be offered.
  - Truck costs, including lease or purchase payments, maintenance, gas, and similar costs.
  - Insurance.
  - Marketing and promotional costs.

The types of expenses, and the amount of costs and expenses, are likely to vary from Mateo Distributor to Mateo Distributor and from list of calls to list of calls. These may not be all of the expenses that you may incur.

- 8. Prospective distributors should be aware that in evaluating a financial performance representation or an earnings claim that includes revenue or sales figures only, or does not include all costs of goods sold, operating expenses, and other expenses, that costs and expenses must be deducted from the gross revenue or gross sales figures to obtain net income or profit. This Item 19 financial performance representation does not include net income or profit.
- 9. The information in this Item 19 reflects the aggregate results of 1,006 Mateo Distributors. It is not a representation or guarantee that you will or may achieve any particular level of revenue, sales, or profits in the operation of your Distributorship. We cannot estimate or predict the results that you may experience as a distributor. You are strongly advised to conduct an independent investigation of this opportunity to evaluate the expected or potential costs and expenses you will incur as a Mateo Distributor. You should consult your attorney, accountant, and other professional advisors. Also, current and former Distributors listed in this Disclosure Document may be one source of information.



85 7th Place East, Suite 500 St. Paul, Minnesota 55101-2198 www.commerce.state.mn.us 651.296.4026 FAX 651.297.1959 An equal opportunity employer

March 14, 2011

MARK KIRSCH PLAVE KOCH PLC 12355 SUNRISE VALLEY DRIVE SUITE 230 RESTON, VA 20191

Re: F-2705

**NMTC INC** 

MATCO DISTRIBUTORSHIP AGREEMENT

Dear Mr. Kirsch:

The Annual Report has been reviewed and is in compliance with Minnesota Statute Chapter 80C and Minnesota Rules Chapter 2860.

This means that there continues to be an effective registration statement on file and that the franchisor may offer and sell the above-referenced franchise in Minnesota.

The franchisor is not required to escrow franchise fees, post a Franchise Surety Bond or defer receipt of franchise fees during this registration period.

As a reminder, the next annual report is due within 120 days after the franchisor's fiscal year end, which is December 31, 2011.

Sincerely,

MIKE ROTHMAN Commissioner

By:

Daniel Sexton Commerce Analyst Supervisor Registration Division (651) 296-4520

MR:DES:dlw

# STATE OF MINNESOTA DEPARTMENT OF COMMERCE REGISTRATION DIVISION (651) 296-4520

IN THE MATTER OF THE REGISTRATION OF: MATCO DISTRIBUTORSHIP AGREEMENT

By NMTC INC

ORDER AMENDING REGISTRATION

WHEREAS, an application to amend the registration and amendment fee have been filed,

IT IS HEREBY ORDERED that the registration dated March 25, 1993, is amended as of the date set forth below.

MIKE ROTHMAN Commissioner

Department of Commerce

85 7th Place East, Suite 500

St Paul, MN 55101

Date: March 14, 2011

#### UNIFORM FRANCHISE REGISTRATION APPLICATION

File No.

(Insert file number of immediately preceding filing of Applicant)

State: Minnesota Fee: \$300.00

APPLICATION FOR (Check only one):

INITIAL REGISTRATION OF AN OFFER AND SALE OF FRANCHISES

X RENEWAL APPLICATION OR ANNUAL REPORT

PRE-EFFECTIVE AMENDMENT

POST-EFFECTIVE MATERIAL AMENDMENT

1. Full legal name of Franchisor: NMTC, Inc. d/b/a Mateo Tools

2. Name of the franchise offering:

"NMTC, Inc. d/b/a Mateo Tools;" "Mateo Tools;" "Mateo"

3. Franchisor's principal business address:

4403 Allen Road Stow, Ohio 44224

Name and address of Franchisor's agent in this State authorized to receive service of process: 4.

Commissioner of Commerce

85 7th Place East, Suite 500

St. Paul, Minnesota 551015

5. The states in which this application is or will be shortly on file: California, Florida, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota,

Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia,

Washington, Wisconsin

Name, address, telephone and facsimile numbers, and e-mail address of person to whom 6.

communications regarding this application should be directed:

Mark A. Kirsch, Esq. Plave Koch PLC

12355 Sunrise Valley Drive, Suite 230

Reston, Virginia 20191

703.774.1210 (direct phone)

703.774.1201 (fax)

mkirsch@plavekoch.com (E-mail)

3-14-11 Apr Ams 1431 3-25-93



# MAR 1 0 2011

Mr. Daniel E. Sexton Department of Commerce 85 7<sup>th</sup> Place East, Suite 500 St. Paul, Minnesota 55101

Re:

NMTC, Inc. d/b/a Mateo Tools ("Mateo")

File F-2705

Minnesota Franchises Law

Application for Renewal of Franchise Registration

Dear Mr. Sexton:

Enclosed please find an application for renewal of franchise registration submitted on behalf of Matco to offer and sell distributorships in the State of Minnesota.

The application consists of a check for S300.00 made payable to the "Minnesota Department of Commerce" for the requisite filing fee and the following items:

- Facing Page.
- 2. Franchisor's Costs and Source of Funds Form.
- Franchise Seller Disclosure Form for each individual to be engaged in the offer or sale of distributorships in Minnesota.
- Certification Page.
- Uniform Consent to Service of Process Form.
- Corporate Acknowledgment.
- 7. One copy of a signed Consent of Accountants.
- 8. One copy of Mateo's franchise disclosure document, including all required financial statements and agreements.
- One copy of Mateo's franchise disclosure document, which has been redlined to indicate new or revised information.

	Plave Koch PLC
	12355 Sunrise Valley Drive, Suite 230
	Reston, Virginia 20191-3492
	United States of America
·	·· <del>······</del> ···
	ww.PiaveKoch.com
	Mark A. Kirsch
	MKirsch@PlaveKoch.com
	direct phone 703.774.1210
	direct fax 703.774.1201

# MAR 1 0 2011



Mr. Daniel E. Sexton Page 2

Please contact me if you have any questions or comments on the enclosed application. Otherwise, we would appreciate receiving notification of renewal of franchise registration.

Sincerely,

Plave Koch PLC

By: Mark A. Kirsch

Via FedEx Enclosures PK 35409.1

# **CERTIFICATION**

I certify and swear under penalty of law that I have read and know the contents of this application,

including the Franchise Disclosure Docattached as an exhibit, and that all ma documents do not contain any material certification on behalf of the Franchisor	terial facts stated in all thosomissions. I further certify t	se documents are accurate and those hat I am duly authorized to make this
Signed at Srow, OHO	on <u>March 4</u> , 20	11.
	NMTC, Inc. d/b/a	Matco Tools M. Jahl
	Print Name and Titl	e: THOMAS M. HM - TREASURER
STATE OF OHIO ) COUNTY OF SUMMIT )	NMTC, Inc. d/b/a Mateo	Γools
Personally appeared before me this	4th day of Ma	nch 2011, the above-named
Thomas M. Hill, to	me known to be the p	erson who executed the foregoing
application (as <u>Tleasurer</u>	of the above-named a	pplicant) and, being first duly sworn,
state upon oath that said application, and	d all exhibits submitted herev	vith, are true and correct.
(NOTARIAL SEAL)	Notary Public:  My Commission	<u>Jandia J. Waeje</u> <u>9-11-14</u>
	Expires:	7-11-14

#### UNIFORM FRANCHISE CONSENT TO SERVICE OF PROCESS

NMTC, Inc. d/b/a Mateo Tools, a corporation organized under the laws of the state of Delaware (the "Franchisor"), irrevocably appoints the officers of the States designated below and their successors in those offices, its attorney in those States for service of notice, process or pleading in an aerion or proceeding against it arising out of or in connection with the sale of franchises, or a violation of the franchise laws of that State, and consents that an action or proceeding against it may be commenced in a court of competent jurisdiction and proper venue within that State by service of process upon this officer with the same effect as if the undersigned was organized or created under the laws of that State and had lawfully been served with process in that State. We have checked below each state in which this application is or will be shortly on file, and provided a duplicate original bearing an original signature to each state.

California: Commissioner of Corporations	Rhode Island: Director, Department of Business Regulation
Hawaii: Commissioner of Securities	South Dakota: Director of the Division of Securities
Illinois: Attorney General	of Securities
Indiana: Secretary of State	Virginia: Clerk, Virginia State Corporation Commission
Maryland: Securities Commissioner	Washington: Director of Financial
X Minnesota: Commissioner of	Institutions
Commerce	Wisconsin: Administrator, Division of Securities, Department of Financial
New York: Secretary of State	Institution
North Dakota: Securities Commissioner	
4403	or pleading served under this consent to:  . d/b/a Mateo Tools  3 Allen Road  . Ohio 44224
Dated: <u>March 4</u> , 2011.	
	NMTC, Inc. d/b/a Mateo Tools
	By: M. Itil
	Print Name and Title: TNOWAS M. HILL - TREASURE (

# CORPORATE ACKNOWLEDGMENT

STATE OF OHIO ) NMT	TC, Inc. d/b/a Mateo Tools
COUNTY OF SUMMIT )	C, Inc. d/0/a Matco 10015
Thomas M. Hill , to me kno	day of <u>March</u> 2011, the above-named own to be the person who executed the foregoing application
(as //easure/ of the abov	re-named applicant) and, being first duly sworn, state upon
oath that said application, and all exhibits sub-	mitted herewith, are true and correct.
(NOTARIAL SEAL)	Notary Public: Sandia Weefe  My Commission Expires: 9-11-14

#### NMTC, INC. d/b/a MATCO TOOLS

#### FRANCHISOR'S COSTS AND SOURCE OF FUNDS

1. Disclose franchisor's total costs for performing its pre-opening obligations to provide goods or services in connection with establishing each franchise, including real estate, improvements, equipment, inventory, training and other items stated in the offering.

Category	Costs
Real Estate Improvements Equipment Inventory Training Other (describe)	None None None None \$6,926 None
Totals	\$6,926

2. State separately the sources of all required funds: General fund allocated to training budget.

#### Acknowledgement of Independent Auditors

We agree to the inclusion in the Franchise Disclosure Document issued by NMTC, Inc. ("Franchisor") of our report, dated March 9, 2011, with respect to the financial statements of Franchisor as of December 31, 2010 and 2009 and for the three years in the period ended December 31, 2010.

Ernst + Young LLP

Baltimore, Maryland March 9, 2011

# RED LINE



#### FRANCHISE DISCLOSURE DOCUMENT

NMTC, INC. d/b/a MATCO TOOLS
4403 Allen Road
Stow, OH 44224
(330) 929-4949
ddevelop@matcotools.com (email inquiries)

<u>relop(a)matcotools.com</u> (email inquiries)
www.matcotools.com

This Disclosure Document provides information regarding the operation of a Mateo distributorship. Mateo is a manufacturer and distributor of professional quality mechanics' tools and service equipment (the "Products"). If you enter into a Distributorship Agreement with Mateo, you will purchase, resell, and service the Products, which currently consist of more than 15,000 items, as a mobile distributor under the Mateo System.

The total investment necessary to begin operation of a Mateo Distributorship ranges from \$79,92682,376 to \$188,556,191,819. This includes the following payments to Mateo: approximately \$50,000 to \$60,000 for the minimal inventory; \$18,000 for the Time Payment Reserve Account; \$799 for the initial software license fee; \$400 for the software support and maintenance fee; and \$99 for a document processing fee; but there is no initial franchise fee that must be paid to Mateo or an affiliate.

This disclosure—document—<u>Disclosure Document</u> summarizes certain provisions of your distributorship agreement and other information in plain English. Read this disclosure—document <u>Disclosure Document</u> and all accompanying agreements carefully. You must receive this disclosure—document <u>Disclosure Document</u> 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 or grant. 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 for you. To discuss the availability of disclosures in different formats, contact Mateo's National Franchise Sales Department at 4403 Allen Road, Stow, OH 44224; phone: 330-929-4949.

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-FTCHELP 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 <a href="https://www.ftc.gov">www.ftc.gov</a> 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, 2010 11, 2011

#### STATE COVER PAGE

Your state may have a franchise law that requires a 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 Appendix F for information about the franchisor, about other franchisors, 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 DISTRIBUTORSHIP AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN THE STATE OF OHIO. OUT OF STATE LITIGATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO SUE OR ARBITRATE WITH MATCO IN OHIO THAN IN YOUR HOME STATE.
- \*2. THE DISTRIBUTORSHIP AGREEMENT STATES THAT OHIO LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.
  - \*State laws may supersede these distributorship agreement provisions. Certain states require the superseding provisions to appear in an addendum to this disclosure document (See Appendix H).

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchises. 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.

Effective Date: See next page for state effective dates.

© Copyright 2010/2011, NMTC, Inc. d/b/a Matco Tools

# **STATE EFFECTIVE DATES**

The effective dates of this Franchise Disclosure Document in the states listed below are:

STATE	EFFECTIVE DATE
CALIFORNIA	November 24, <u>2010<u>2011</u></u>
FLORIDA	February 3, 2010 <u>2011</u>
HAWAII	April 15, 2010. as amended May 11, 2010
ILLINOIS	March 29, 201011, 2011
INDIANA	March 29, 201011, 2011
MARYLAND	<del>Ap</del> rii 7, 2010
MICHIGAN	March 29, 201031, 2011
MINNESOTA	March-30,-2010
NEW YORK	March 29, 201011, 2011
NORTH DAKOTA	March-29, 2010
RHODE ISLAND	April 16, 2010
SOUTH DAKOTA	March 29, 2010
UTAH	January 20, 2010 <u>2011</u>
VIRGINIA	April 8, 2010
WASHINGTON	A <del>p</del> ril-2 <del>, 20</del> 10
WISCONSIN	March-29,-2010

# Mateo® Tools

# FRANCHISE DISCLOSURE DOCUMENT

# **INDEX**

<u>ITEM</u>	DESCRIPTIO	<u>DN</u>	<u>PAGE</u>
(1)	THE FRANC	HISOR AND ANY PARENTS, PREDECESSORS, AND	
		l	
(2)	BUSINESS E	XPERIENCE	3
(3)	LITIGATION	T	5
(4)	BANKRUPT	CY	8
(5)	INITIAL FEE	S	8
(6)		S	
(7)		INITIAL INVESTMENT	
(8)		ONS ON SOURCES OF PRODUCTS AND SERVICES	
(9)		E'S OBLIGATIONS	
(10)			19
(11)		R'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS,	
		ING	
(12)		, 	
(13)		KS	
(14)		OPYRIGHTS AND PROPRIETARY INFORMATION	33
(15)		N TO PARTICIPATE IN THE ACTUAL OPERATION OF THE	
		BUSINESS	
(16)		ONS ON WHAT THE FRANCHISEE MAY SELL	
(17)		TERMINATION, TRANSFER AND DISPUTE RESOLUTION	
(18)		URES	
(19)		PERFORMANCE REPRESENTATIONS	
(20)		ND FRANCHISEE INFORMATION	
(21)		STATEMENTS	
(22)		S	
(23)	RECEIPTS		57
		<u>APPENDICES</u>	
	Appendix A:	Financial Statements	
	Appendix B:	Active Distributors	
	Appendix C:	Terminated Distributors	
	Appendix D:	Distributorship Agreement	
	Appendix E:	Distributor Disclosure Questionnaire	
	Appendix F:	State Agency Exhibit	
	Appendix G:	Agents for Service of Process	
	Appendix H:	State-specific Disclosures and State Agreement Amendments	
	Appendix I:	Mateo Distributor Consent to Alcohol and Drug Testing Form	
	Appendix J:	Mutual Release Agreement	

#### (1) THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

#### Mateo and Its Predecessors

NMTC, Inc. d/b/a Mateo Tools ("Mateo") is a Delaware corporation, incorporated on January 12, 1993, with its principal office at 4403 Allen Road, Stow, Ohio 44224, telephone number (330) 929-4949. References to "you" in this Disclosure Document mean the person(s), corporation, partnership or other entity purchasing a Mateo Tools Distributorship. Mateo is a wholly-owned subsidiary of Mateo Tools Corporation ("MTC"), and operates as an indirect wholly-owned subsidiary of Danaher Corporation ("Danaher"). MTC is Mateo's parent company. MTC is a New Jersey corporation with its principal office at 4403 Allen Road, Stow, Ohio 44224. Danaher is a Delaware corporation, with its principal place of business at 20992200 Pennsylvania Avenue. NW, Suite 4200800W, Washington, D-C-20006C 20037-1701. Mateo does business under the name "NMTC, Inc. d/b/a Mateo Tools," "Mateo Tools," and "Mateo," and under no other names. Mateo's agent for service of process in this state is disclosed on Appendix H and/or on the acknowledgement of receipt pages which are the last pages in this Uniform Franchise Disclosure Document.

Mateo is a manufacturer and distributor of professional quality tools, tool boxes, and service equipment. Mateo has developed a distinctive business system (the "System") relading to the establishment and operation of Mateo mobile distributorships which sell tools, tool boxes, service equipment, and other goods and services, including, for example, apparel, model cars and other collectible items, and consumables (such as mechanic's hand soaps), and such other items that Mateo may in its sole discretion offer (collectively, the "Products"). Mateo mobile distributors offer and sell Products to professional mechanics and other businesses which operate from a single location and purchase tools for their own use. The Products currently consist of more than 15,000 items, many of which are manufactured by or for Mateo, and are distributed by Mateo and sold to our distributor network. The System is identified by means of certain trade names, service marks, trademarks, logos and emblems, including the marks "MATCO®" and "MATCO® TOOLS" (the "Marks").

MTC began offering distributorships in 1979, and since then MTC and Mateo (beginning in 1993) have sold the majority of the Products through independent distributors throughout the United States. As of December 31, 20092010, there were 1,462418 independent distributors selling MATCO® Products in the United States. The distributorship agreement offered and described in this Disclosure Document differs from agreements Mateo entered into with its distributors before 1993, in that the current distributorship agreement provides for additional duties and obligations for both parties.

Mateo also sells the Products through commercial sales representatives to businesses and educarional institutions including students with central purchasing operations, multiple locations, state, local and federal agencies and/or to other commercial account customers who generally purchase tools for their own use. In 20092010, these sales accounted for approximately 5.34.9% of Mateo's revenues. Prior to December 31, 2005, Mateo operated distributorships, but Mateo did not operate any distributorships in 2006 through 2009. Beginning in 2010, and as of March-45December 31, 2010, Mateo operates six5 distributorships. Mateo may also employ persons or utilize independent manufacturers' representatives and specialized resellers to make sales calls and to support customers in specific market segments. Mateo also uses export distributors and agents to promote its products in locations outside of the United States.

Mateo has offered franchised distributorships since 1993. Other than as indicated in this Disclosure Document, Mateo (or prior to February 1993, its predecessor MTC) has not offered distributorship agreements, franchises, or business opportunities in any other line of business. Mateo is not engaged in any business other than the manufacture, distribution, sale and servicing of tools and equipment as described in this Disclosure Document. Mateo's affiliates have not offered franchises similar to the distributorship described in this Disclosure Document or in any other lines of business.

MTC is a predecessor of Mateo. MTC was formerly known as Mac Allied Tools Corporation ("Mac Allied"), an Ohio corporation, incorporated in September 1946. Mac Allied changed its name to Mateo Tools

Corporation in August 1978, and in April 1981, Mateo Tools Corporation was acquired by and became a wholly-owned subsidiary of Chicago Pneumatic Tool Company ("CP"), a New Jersey Corporation. Mateo Tools Corporation was merged in July 1984 into a sister company of CP, The Jacobs Manufacturing Company ("Jacobs"), a New Jersey corporation, incorporated in July 1953, and became known as "Mateo Tools, a Division of The Jacobs Manufacturing Company." In June 1986, Danaher purchased CP and later sold it in June 1987, retaining Jacobs, including its Mateo Tools Division. Jacobs' name was changed to Mateo Tools Corporation in November 1991, and the other divisions within Jacobs were established as separate operating companies. In January 1993, Danaher formed NMTC, Inc., which acquired a substantial portion of the assets of MTC, including the existing distributorship agreements of MTC.

Danaher is involved in various businesses, including the tool, automotive and environmental process control markets, as well as medical, water treatment test and fuel dispensing equipment. Through various subsidiary companies, Danaher manufactures and sells such major brand names as Allen® wrenches and tools, Jacobs® Chucks, Ammco® brake lathes, Coats® tire changers and equipment, Fluke® multimeters, Bada® wheel weights, Radiometer® and Gendex® medical diagnosfics, Hach® and Lange® water test and measurement equipment, Gilbareo®/Veeder Root® fuel dispensing and test and measurement equipment, KAVO® and Pelton & Crane® dental technologies, Leica Microsystems® medical technologies, Sybron® dental consumables, and Techtronix® test and measurement technologies. AB Seicx® mass spectromeuv technology, and Keithley Instruments® electronic test and measurement instruments and systems.

In 2005, Mateo Tools Canada ("Matco-Canada"), a limited partnership organized under the laws of the Province of Ontario, Canada, began offering Mateo Tools franchised distributorships in Canada. Matco-Canada does not operate Mateo distributorships, and has not offered franchises in any other line of business. The general partner of Matco-Canada, NMTC Partners Inc., is a wholly-owned subsidiary of Mateo-Canada's principal business address is 4 Robert Speck Parkway, Suite 1600, Mississauga, Ontario, Canada L4Z 1S1.

#### The Distributorship Rights Offered

Mateo offers you the right to enter into a distributorship agreement (the "Distributorship Agreement"), which grants you the right to purchase, resell, and service the Products as a mobile distributor under the System (the "Distributorship"). A Distributorship is a business which operates principally from a vehicle, purchases the Products from Mateo, and sells the Products to retail customers. These retail customers are typically individual mechanics, or businesses that operate from a single location, and who generally purchase the Products for their own use. You must operate the Distributorship only at the locations identified as potential stops along your proposed route (the "List of Calls") and identified in the list of potential customers (the "Potential Customer List"). The List of Calls and Potential Customer List will be attached to the Distributorship Agreement.

In addition to the Distributorships, Mateo also sells the Products through its Commercial Sales Department. The Commercial Sales Department generally sells tools to companies, insurance replacement companies, government agencies, or other entities or businesses that purchase tools for their internal use. The tools are not generally the personal property of the mechanics employed by such companies. Generally, the prospective purchasers from the Commercial Sales Department are companies, insurance replacement companies, government agencies, and similar entities that may purchase tools from other national tool companies, or factory and warehouse distributors, but not from individual distributors. Mateo also serves the vocational school marketplace through a direct sales program. Products are sold to technical schools or raining facilities, and/or directly to the individuals attending such schools or facilities. Products sold to full-time smdents and schools may be discounted in order to remain competitive. Commercial sales customers also may include auto and truck dealerships that participate in dealer equipment service or sales programs operated in conjunction with original equipment manufacturer (or "OEM") relationships. OEM programs may include tool storage, shop equipment and other products normally purchased by the business at national account discounts. Mateo may from time to time develop coupon or incentive programs with various national accounts or manufacturers.

Several other tool suppliers may compete for these accounts, and pricing is very competitive and significantly below list price. This generally prevents a single distributor from being competitive in such markets. Mateo presently has a distributor commission program which permits its distributors to join forces with Mateo to assist in closing sales to accounts where a single distributor working alone would be unable to do so. This program provides an opportunity for you to receive a commission on industrial account sales and/or vocational school sales closed by Mateo, with your assistance, with a business identified on your List of Calls. Commissions will consist of a credit posted to the Distributor's Open Purchase Account on products or services delivered to a locarion on the List of Calls. Commissions are not based on the Billing or Administrative Office address of the industrial account purchaser. The Distributor may be required to provide service to technicians, students or instructors, and on products delivered to the location in order to receive commissions. The actual service schedule will be determined by the business, government agency, or school during the sales process. Service requirements may include unpacking and set-up of the initial and/or on-going orders, warranty service, and/or participation in tool shows or seminars. The Commercial Sales Commission Program (which may include vocational sales) may change during the term of your Distributorship. The Distributor must be registered in the system as the "servicing distributor," and actively promote the sales, in order to receive commissions on any commercial or vocational sales.

A Distributorship generally competes with mobile tool vendors who sell to professional mechanics and are associated with national tool companies other than Mateo. Other sources of competition include independent mobile tool vendors who are not associated with a national tool company, local automotive tool and equipment warehouses, local automotive parts stores, local department and hardware store chains and mail order catalogs. Your List of Calls and Potential Customer List may already be served by competitive tool vendors.

To operate the Distributorship, you will have to comply with various state and local laws such as those relating to driver's licensing, vehicle licensing, vendor licensing, and automobile insurance requirements, zoning restrictions as well as parking, vehicle weight limitations and any applicable hazardous material transportation and pollution laws. In some states, a physical examination may be required to obtain a license to drive a commercial vehicle. There may be federal license or motor carrier regulations that apply to you, and these may include compliance with drug or substance abuse testing rules. (As noted in Item 5 below, Mateo requires that a prospective franchisee undergo and pass a drug and alcohol test before Mateo will gram a distributorship.) Most states require liability insurance coverage for both the driver and vehicle. Insurability and insurance rates will generally be dependent upon your past driving record. There may be other laws applicable to your business including those relating to home-based business or the credit you grant, and Matco urges you to make inquires about these laws.

The information in this Disclosure Document is current as of the date indicated as the Issuance Date on the cover of this Disclosure Document.

#### (2) BUSINESS EXPERIENCE

#### Robert S. Lutz, Vice President and Director

Since July 2004, Mr. Lutz has been a Vice President and Director of Mateo. Mr. Lutz joined Danaher Corporation in July 2002 in the position of Vice President-Audit and Reporting and was appointed Vice President-Chief Accounting Officer in March 2003. He was appointed Senior Vice President-Chief Accounting Officer in March 2010.

#### Thomas N. Willis, President

Mr. Willis has been the President of Mateo since May 1996. Mr. Willis was General Manager of GE-Jiabao Lighting Co., Ltd. in Shanghai, China from October 1995 until May 1996, and he was General Manager, GE Automotive Lighting for GE Co. in Cleveland, Ohio from October 1988 through October 1995.

#### Frank T. McFaden, Vice President, Assistant Treasurer, and Director

Mr. McFaden has been a Vice President, Assistant Treasurer and Director of Mateo since May 2005. He has also been a Vice President and Treasurer of Danaher Corporation in Washington, D.C. since March 2003.

# James F. O'Reilly, Vice President and Secretary

Mr. O'Reilly has been the Vice President and Secretary of Mateo since July 2004. He has also been Secretary and Associate General Counsel of Danaher Corporation in Washington, D.C. since January 2004.

#### Laurence S. Smith, Vice President

Mr. Smith has been a Vice President of Mateo since June 2008. He joined Danaher Corporation in Mary May 2007 in the position of Director, M&A Tax and was appointed Vice President – Tax in March 2010. Mr. Smith was an attorney with Merck & Co in Washington, D.C. from March 2003 to May 2007.

#### Charles A. Schwertner, Assistant Secretary and Assistant Treasurer

Mr. Schwertner has been the Assistant Secretary and Assistant Treasurer of Mateo since December 2003 and has been the Tax Director of Danaher Corporation in Washington, D.C. since July 1996.

#### Thomas M. Hill, Vice President, Finance, and Treasurer

Mr. Hill has been the Vice President, Finance, and Treasurer of Mateo since January 2007. Mr. Hill was Director of Finance – Danaher Corporate Audit in Washington, D.C. from October 2005 to January 2007, the VP of Finance and Administration for Oldcastle Retail, Inc. in Charlotte, NC from October 2003 to October 2005; a Director of Finance from October 2002 to October 2003 and Director of Financial Reporting from September 1999 to October 2002 for Aetema Corporation in Research Triangle Park, NC.

#### Ernest C. Lauber, Senior Vice President, Sales

Mr. Lauber has been the Senior Vice President, Sales of Mateo since March 2010, and was the Vice President, Marketing and eCommerce with Mateo trom September 2005 to March 2010, and a Hardline Product Manager from 1997 to January 2002. Mr. Lauber was also Team Leader with the Danaher Tool Group in Gastonia, North Carolina from January 2002 to July 2003, and Vice President, Marketing at Delta Consolidated Industries in Hunt Valley, Maryland from July 2003 until September 2005.

#### Anthony D. Stohlmeyer, Vice President, Human Resources

Mr. Stohlmeyer has been the Vice President, Human Resources of Mateo since February 2006. Prior to joining Mateo, Mr. Stohlmeyer was the Director of Human Resources for Danaher's Sensors and Controls Group from March 2004 until February 2006. Prior to joining Danaher, Mr. Stohlmeyer was the Director of Human Resources for Slater Steel in Fort Wayne, Indiana, with responsibility for U.S. and Canadian operations from June 1999 until March 2004.

#### Michael K. Smith, Sr., Vice President, Materials and Engineering

Mr. Smith has been the Vice President, Materials and Engineering since January 2003 and was the Director of Materials and Engineering from November 1998 until December 2002. He held the position of Director of Materials with MTC from November 1997 to November 1998.

#### John C. Green, Vice President, Marketing and eCommerce

Mr. Green has been the Vice President, Marketing and eCommerce since June 2010. Prior to joining Matco, Mr. Green was General Manager with Fluke, a Danaher Company, of the Amprobe business unit in Everett, Washington from April 2008 until June 2010; of the Analytic and Diagnostic Tools business unit in Everett, Washington from January 2007 until April 2008; and qf the Electrical business unit based in the European Headquarters located in Eindhoven, The Netherlands from April 2005 until January 2007.

#### Richard M. Smearcheck, Director, Financial Services

Mr. Smearcheck has been the Director, Financial Services of Mateo since March 2008 and was the Manager, Open Purchase Accounts of Mateo from March 1987 until March 2008.

## Michael S. Swanson, National Director, Distributor Development-Manager

Mr. Swanson has been the National Director, Distributor Development Manager—of Mateo since July-2007-November 2010. He was the National Distributor Development Manager of Mateo from July 2007 until November 2010 and a Mateo Regional Manager from January 2004 until July 2007-and-the-National-Franchise Sales-Manager-from-June-2002-until-Prior to January 2004. Prior-to-June-2002, Mr. Swanson held positions of National Franchise Sales Manager, National Sales Development Manager, Manager of Distributor Communications, District Business Manager and started his career with Mateo in 1988 as a Mobile Tool Distributor.

\* \* \*

In-addition, Mateo-currently has a-policy under which it will give one-or-more Mateo-tool-boxes free to-an existing distributor or a Danaher-employee for referring a prospect who becomes a Mateo distributor.

#### (3) LITIGATION

#### PENDING ACTIONS

A. As of December 31, 20092010, and from January 1, 20102011 through February 15, 20102011, except as otherwise noted, the following cases have been filed against (or involved eases with counterclaims alleged against) Mateo and/or its current or previous affiliated companies by current or previous Mateo distributors and/or distriet managers, and, in some eases, by distributors jointly with their spouses. The information below also includes any individuals who are current Mateo officers, directors, or employees and named as additional defendants. Except as otherwise indicated below: (1) relief sought is in an undisclosed amount; (2) Mateo and any other listed defendants deny the allegations; (3) the complaints allege nondisclosure, omission and/or misrepresentations regarding: earnings potential, personal and business expenses required, capital required, financial risk, exclusive name of territory, sufficiency of territory and customer base, training and assistance, wartanty and tool return policies, and failure rates; and (4) each case is in the pretrial stage.

None.

B. Mateo Collection Actions. During the fiscal year ended December 31, 2009,2010, any claims filed by Mateo filed claims-against distributors for monies owed to Mateo for goods sold and delivered to the distributor. The following is the one-matter that was are still pending as of the end-of the fiscal-year.

are described below.

NMTC, Inc. dilvia Matco Tools. a Delaware Corporation v. Pierre & Mugrieta Segers; Ohio, American-Arbitration-Association, Atlanta, Georgia office, Case-No. 53-155-E-00533-09-(filed-September, 2009). Claims: Matco-filed-a-oiaim-against-Respondent-for-monies-due-and-owing-from-goods-sold-and delivered-to-Respondent-under-several-agreements-iucluding-but-not-limited-to-a-Distributorship-Agreements-Damages-Sought:-\$19,8-16-20. The matter-is-pending

None.

#### CONCLUDED ACTIONS

During the 10-year period immediately preceding December 31, 20092010, and from January 1, 20402011 through February 15, 20402011, except as otherwise noted, Mateo and/or its current or previous affiliated companies, and/or one or more of its current employees, have been the subject of the following legal proceedings (or were the subject of counterclaims in the following legal proceedings), which have since been concluded. These cases were initiated by current or previous Mateo distributors, and, in some cases, by distributors jointly with their spouses. Unless otherwise indicated: the plaintiffs alleged some or all of the following: (i) fraud, (ii) misrepresentation, (hi) violation of a franchise law, business opportunity law, or seller assisted marketing plan law, (iv) unfair or deceptive practices (including states' "Little FTC Acts" and interference (with business advantage, with contract, or otherwise), and (v) breach of contract (including breach of the implied covenants of good faith and fair dealing).

#### A. The following cases were resolved, at least in part, in favor of the plaintiff:

NMTC. Inc. d/b/a Mateo Tools, a Delaware Corporation v. Marlowe; Ohio, American Arbitration Association, Cleveland, Ohio office, Case No. 53 180 E 00474 06 (filed July 17, 2006). Claims: Mateo filed a claim against Respondent for monies due and owing from goods sold and delivered to Respondent under several agreements including but not limited to a Distributorship Agreement and Promissory Note. Damages Sought: \$21,265.85 plus attorney's fees, interest and arbitration costs. On October 20, 2006 Respondent filed a counterclaim against Mateo. Claims: Breach of Distributor Agreement and Incenfive Agreement and fraudulent inducement to enter into Distributor Agreement. Damages Sought: \$124,500.00 plus attorney's fees, interest and arbitration costs. On January 31, 2007, Marlowe agreed to dismiss with prejudice all counterclaims asserted against Mateo and pay Mateo the sum of \$16,992.00 by or before March 2, 2007.

NMTC, Inc. d/b/a Mateo Tools v. David G. Mast; Tennessee, In The Chancery Court Of Sullivan County, Civil Action No. K0032162 (filed August 21, 2002). Mateo filed a Complaint for a temporary restraining order to enforce a non-compete agreement against Defendant, a terminated distributor. Defendant filed a monon to dismiss and the following counterclaims: breach of contract, tortuous interference with contract and economic relations, fraud, unfair competition, unfair trade practices, wrongful termination and unjust enrichment. Relief and/or Damages Sought: Actual damages upon each of the listed counts in an amount not less than \$75,000 for each count, punitive damages in the amount of \$500,000 and judgement for costs of litigation including reasonable attorney fees and expenses. On March 26, 2003, Mateo agreed to dismiss with prejudice its Claims against Defendant in exchange for Defendant dismissing with prejudice its counterclaims against Mateo. No other consideration was exchanged.

NMTC, Inc. d/b/a Mateo Tools v. Duane L. Ward; Tennessee, In The Chancery Court Of Sullivan County, Civil Action No. C0016390 (filed August 21, 2002). Mateo filed a Complaint for a temporary restraining order to enforce a non-compete agreement against Defendant, a terminated distributor. Defendant filed a motion to dismiss and the following Counterclaims: breach of contract, tortuous interference with contract and economic relations, fraud, unfair competition, unfair trade practices, wrongful terminarion and unjust enrichment. Relief and/or Damages Sought: Actual

damages upon each of the listed counts in an amount not less than \$75,000 for each count, punitive damages in the amount of \$500,000 and judgement for costs of litigation including reasonable attorney fees and expenses. On December 16, 2002, Mateo agreed to dismiss with prejudice its Claims against Defendant in exchange for Defendant dismissing with prejudice its counterclaims against Matco. No other consideration was exchanged.

B. The following eases resulted in confidential settlement agreements (unless otherwise indicated below) entered into after April 25, 1993 between the parties on the dates so indicated whereby Mateo agreed to pay a sum of money to the plaintiffs and/or forgive debt as set forth below:

Collins v. Matco Tools Corporation, A Division of Danaher Corporation & Mike Ramcy; Alabama, In the Circuit Court For Jefferson County; Civil Action No. CV02-6642 (filed November 1, 2002). Claims: Deceit, legal fraud, misrepresentation, suppression and breach of contract/estoppel. Relief and/or Damages Sought: Damages in an amount which will adequately compensate for injuries and damages sustained plus post judgment interest and court costs. The case was removed to The United States District Court For the Northern District of Alabama, Southern Division; Civil Action No. CV-02-N-2943-S (December 3, 2002). Mateo and the plaintiff participated in mediation before a trial, and agreed to settle this matter. Mateo paid the plaintiff \$45,000. Both parties signed a settlement agreement and release. The ease was dismissed on December 3, 2003.

LaRussa v. NMFC, Inc. a/b/a Matco Tools, a Delawarc Corporation; Arizona, In The Superior Court Of The State Of Arizona In And For The County Of Pima; No. C20056258 (filed November 9, 2005). Claims: breach of contract, tortuous interference with business expectancy, intentional interference with contractual relations, tortuous bad faith and negligence. Relief and/or Damages Sought: relief in such a sum of money as to adequately compensate Plaintiff for damages to be proved at trial, statutorily authorized attorney fees and costs, punifive damages and further relief as the Court and Jury deem appropriate and just. On October 30, 2006, plainfiff put forth a settlement demand of \$122,473. On April 25, 2006 Mateo successfully removed the case from the above State Court to The United States District Court for the District of Arizona, Tucson Division; No. CV-05-751-TUC-FRZ (filed April 25, 2006). On June 19, 2007, the plainfiff agreed to accept Mateo's offer of \$43,375 to resolve the disputed issues. Settlement and release documents were signed June 29, 2007.

C. Matco Collection Actions. During the fiscal year ended December 31, 2009, 2010, if Mateo filed claims against distributors for monies owed to Mateo for goods sold and delivered to the distributor. The tollowing-2 and these matters were resolved by the end of the fiscal year, they are disclosed below.

NMTC, Inc. dibia-Mateo Tools. a Deluware Corporation v. Eugene T. Wolf; Ohio; American Arbitration-Association, Atlanta, Georgia office, Case-No. 53-1-55-E-00319-09-01-(filed-March, 2009). Claims: Mateo-tiled-a-claim-against-Respondent-for-monies-due-aad-owing-from-goods-sold-and delivered-to-Respondent-under-several-agreements-including-but-not-limited-to-a-Distributorship Agreement. Damages-Sought: \$59,909.33. On-September-15, 2009-this-matter-was-concluded-with Mateo-being awarded-\$59,909.33.

NMTC: Inc. dibit Mateo Tools, a Deliwaro Corporation v. Christopher & Tori Teal; Ohio, American Arbitration Association, Atlanta, Georgia office, Case No. 53-155-15-00158-09 (filed-March, 2009). Claims: Mateo-filed-a claim-against Respondent for monies due and owing from goods sold-and-dehvered to Respondent under several agreements including but not limited to a Distributorship Agreement. Damages Sought: \$71,628.22. On June 30, 2009 this matter was concluded with Mateo being awarded \$71,628.22 None.

\* \* \* \*

Other than the \$5 actions described above, no litigation is required to be disclosed in this Item.

#### (4) BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

#### (5) INITIAL FEES

#### No Initial Fee

There is no initial franchise fee payable by you for the Distributorship.

#### Initial Inventory Purchases

You are required to purchase an inhial inventory of Products from Mateo (the "New Distributor Starter Inventory") before the date you begin operating your Distributorship. In some instances, your initial inventory may be acquired from a predecessor distributor. Currently, the minimum New Distributor Starter Inventory is generally \$54,000. However, this amount may not be uniform for all Distributors, and may range from \$50,000 to \$60,000 (see Item 7). —In 20002010, the minimum New Distributor Starter Inventory was generally \$54,000, even though the New Distributor Starter Inventory ranged from \$50,000 to \$60,000 (depending upon the inventory selected). If you qualify, all or a portion of the cost of the New Distributor Starter Inventory may be financed through Mateo (see Item 10).

If the Distributorship Agreement is terminated, you may return certain Products to Mateo for credit. The credit will be applied to your account, or a refund will be given to you, in accordance with Mateo's tool remm policy then in effect when such Products are remmed. Mateo's current tool return policy provides that Mateo will accept Products that are not used, abused, incomplete, discontinued, or special ordered items. In addition, Products must be remmed in their original container and packaging. All Products that Mateo accepts under the tool return policy will be subject to a 15% restocking charge. Mateo may modify the tool remm policy from time to time. Except as specified in Mateo's tool return policy, the cost of the New Distributor Starter Inventory is non-refundable.

#### Time Payment Reserve

You must, at the time you sign the Distributorship Agreement, deposit an amount into your "Time Payment Reserve" account held by Mateo. The amount of the Time Payment Reserve account deposit may vary from Distributorship to Distributorship, but Mateo requires a minimum deposit of \$18,000. The purpose of the Time Payment Reserve account is to provide a source of funds in addition to cash collections to assist you in maintaining your inventory at adequate levels during the early development of your Distributorship.

Credit sales made by you to your customers are referred to as "Time Payment" sales. When you make a Time Payment sale, you will extend personal credit to finance the customer's purchase of Products. You establish the terms and conditions for Time Payment sales to your customers, such as down payment, repayment schedule, interest charged, credit limits, and creditworthiness. However, Mateo generally recommends that you require full payment on Time Payment sales in five to nine weeks. As you extend credit for Time Payment sales, you bear the risk of loss due to non-payment. Time Payment sales typically comprise a significant percentage (generally about 70%) of most distributors' sales.

Every week you will be required to send Mateo, via the MDBS Software (defined below), at our headquarters your current Time Payment activity from your business records.

Your Time Payment Reserve account will be accessed automafically by Mateo, on your behalf each week. The amount withdrawn from your Time Payment Reserve account will be used to pay for your Product inventory purchases. The amount withdrawn will be determined by calculating the net change in your time payment

balances from week to week. The net change in your time payment balances, which is expressed as the retail cost of the Products sold, will be discounted by a factor to determine the approximate net cost value of the change in your time payment balances. The time payment transfer transaction will be drawn out of your Time Payment Reserve account and the credit will post directly on your weekly open purchase account statement.

Transfers from your Time Payment Reserve account to pay for Product purchases will occur during periods of growth of your Time Payment sales balances. During periods within the first twelve months of business or when Time Payment sales balances decrease below Mateo's required levels, you will be required to deposit additional funds in your Time Payment Reserve account. Mateo will invoice your open purchase account and credit your Time Payment Reserve account to fund the replenishment. Mateo's eurtent policy provides that if, at the end of twelve months following your commencement of operations, there is any balance remaining in the Time Payment Reserve account, and your inventory meets or exceeds the starter inventory level, that amount will be credited by Mateo at its oprion to either your Open Purchase Account or promissory note. If your inventory level falls below that of the starter inventory, the Time Payment Reserve must be used to increase your inventory to the level of your original starter inventory. Any remaining Time Payment Reserve will be credited to your Open Purchase Account or promissory note.

All Time Payment Reserve account monies on deposit with Mateo will earn interest at a rate of one quarter of one percent (1/4%) over the Fannie Mae Home Loan-b: bank money market rate as reported in <u>Barron's</u>. At all times the money on deposit in your Time Payment Reserve account remains in your personal account to be used only as described above. The deposit to the Time Payment Reserve account is required of all distributors, although it may not be uniform in amount.

#### Transfers of Time Payment Accounts Receivable

If you are replacing an existing Mateo distributor who is retiring or selling a Distributorship business, you may be offered the opportunity to purchase the preceding distributor's outstanding Time Payment accounts, if any, from the List of Calls and Potential Customer List. Under normal circumstances, Mateo's policy is to recommend that you purchase the Time Payment accounts from the previous distributor in accordance with current industry practice, which is to purchase qualified Time Payment accounts at 75% of their value. This percentage may only be exceeded with Mateo's prior written approval. Mateo also normally recommends that you settle the Time Payment accounts with the previous distributor only after you have had at least twenty-five (25) business days to evaluate the creditworthiness of the Time Payment accounts purchased. Upon mutual agreement of you and the previous distributor, payment is typically effected by a transfer of funds on deposit with Mateo from your Time Payment Reserve account to the previous distributor. There may be accounts with higher balances from the previous distributor that can be collected by you (without purchasing the accounts). The recommended policy on these higher balance time payment accounts allows you to keep 15% of the weekly collections and remit the remaining 85% to the previous distributor via the "Collected in behalf" process in MDBS Software. This percentage may only be exceeded with Mateo's prior written approval.

#### Computer Software License Expenses

Mateo has developed computer software for the exclusive use of its distributors. Mateo's proprietary copyrighted software system, called the Mateo Distributor Business System ("MDBS Software"), is designed to assist you in minimizing paperwork, managing your List of Calls and route, handling inventory, receivables and order processing functions, and performing other tasks relating to operating the Distributorship. To ensure performance and software compatibility, your MDBS computer and software is restricted to your Mateo business related functions. For example, to protect your computer from viruses, worms and spyware of any nature and to insure that the MDBS Software is not compromised, your MDBS computer should not be used to browse the Internet for personal use, it should not be used for gaming, and other third-party software should not be loaded and executed on the computer. You must sign the Mateo Distributor Business System Software License, Maintenance and Support Agreement (the "Software License Agreement") attached to this Disclosure Document and pay Mateo the initial software license fee, which is eurtently \$799, prior to the date

you begin operating your Distributorship. There will be a one-time charge of an additional S100 for licensing Credit Card Processing Software that interfaces with the MDBS Software. The Software License Agreement is for an initial term of one year, with automade renewals for additional one year terms. Beginning with the second month of the Software License Agreement and each year thereafter, you will be required to pay an annual software maintenance fee, which is currently \$400 for systems meeting Mateo's required specifications. Beginning with the second anniversary of the date of the Software License Agreement, if you have a system that does not meet Mateo's required specifications, including manufacturer, model, configuration, operating system, virus protection and <u>for non-Matco-specified use of third-party software and Internet sites, the annual charge for systems maintenance and support will include, in addition to the \$400 fee, an annual charge of \$400 until you comply, to Mateo's satisfaction, with Mateo's required and exact PC configuration.—and/or removal of non-Mateo specified third party software. Computer software license expenses are non-refundable, and are uniformly imposed on all distributors.</u>

#### Web Page Set-Up Fee

Mateo has established a Website for the entire system and offers you a web page (or subpage) on Mateo's Website. You are required to sign the Mateo Tools Web Page Agreement (Exhibit Q to the Distributorship Agreement). Under this Agreement, you will have your own subpage on Mateo's website. Also, you must pay Mateo a one-time web page set-up fee of S195 at the execution of the Web Page Agreement.

#### **Document Processing Fee**

When you elect to start a Mateo franchise, Mateo will prepare franchise and financial documents for you to review and execute, and, if necessary, will file applicable documents with state agencies as required. The processing/tiling fees will be \$99. You must pay this fee to Mateo upon signing the Distributorship Agreement.

#### **Incentive Programs**

VetFran Program. Mateo participates in the VetFran Program (Veterans Transition Franchise Initiative) that was established by the International Franchise Association in cooperation with the U.S. Department of Veterans Affairs, the Veterans Corporation, and the U.S. Small Business Administration. Mateo will provide to each new distributor who is an honorably-discharged U.S. veteran \$5,000 of hand tools (valued at list price) at no charge. Mateo will require proof of eligibility from those prospective distributors who wish to take advantage of the incentives offered under the VetFran Program.

#### **Drug Testing Policy**

For Prospective Franchisees/Distributors. As of April I, 2009, Mateo has-implemented a new-drug testing policy for prospective franchisees/distributors. If you are interested in acquiring a Mateo franchise, and you proceed successfully through the application process, before we grant a franchise to you, you must take and pass a drug test. The test, which is currently intended to test for alcohol and illegal drugs, will be administered by a third party testing company, and the results will be provided to you and to Mateo. It will be administered at a facility within a reasonable distance from your home, and you must take the test within 5 days of our notice to you. The current cost of the test, or lab fee, is less than \$50 per test, and we expect that the cost will be \$35 per applicant. If you fail dhe test, you will not be granted a franchise, and you will not be required to pay the fee. If you pass the test, you will be granted a franchise, and the cost of the test, or lab fee, will be charged to your "open purchase account" (or "OPA"), and will be repaid over time based on your collections or revenues in your business. In connection with your application for the Mateo franchise, in addition to the application forms, credit cheek authorization, and other documents, you must sign a consent to the alcohol and drug testing. A copy of our current consent form is attached to this Disclosure Document as Appendix I.

For New/Existing Franchisees/Distributors (during the term of the franchise). As noted above, as of April 1,

2009, Mateo has implemented a new drug testing policy for prospective franchisees/distributors. In addition, Mateo Tools has implemented a drug testing policy for franchisees/distributors who are new to Mateo beginning on or after April 1, 2009, or otherwise sign a Distributorship Agreement with Mateo in 2009 or in the future. In addition to the drug testing for prospective franchisees/distributors, existing franchisees/distributors must undergo periodic or random alcohol and drug testing, at Mateo's direction. You must sign a consent to the drug testing that will apply during the term of your Distributorship. The Mateo will bear the cost of the test any testing or lab fee, will be charged to your OPAs. Also, in the event you fail a drug or alcohol test, Mateo will have the right to terminate your Distributorship.

#### (6) OTHER FEES

Type of Fee <sup>(1)</sup>	Amount	Due Date	Remarks	
Minimum Inventory Purchases	Maintain an inventory of Products at least equal to the starter inventory; 80% of the National Distributor Purchase Average; and maintain a ratio of purchase average to total sales of at least \$5.560% <sup>(2)</sup>	Weekly	See Items 8 and 12	
Computer Maintenance and Support Charge <sup>(3)</sup>	S400 or S800 (3)(4)	Annually	See Items 5 and 7	
Addirional Training Fee (for spouse) <sup>(5)</sup>	\$295	On or before training starts	See Item 11	
Web Page Maintenance Fee <sup>(6)</sup>	S195 <sup>(6)</sup>	Annually, on the anniversary date of Web Page Agreement	See Note 6	
Insurance <sup>(7)</sup>	Varies (see Item 7)	See Note 7	See Note 7	
Late Fee on OPA	5% of amount due, per week; maximum S100	Upon invoice or demand	See Item 10	

#### Notes:

- (1) You are not required to pay any monthly or periodic royalty, franchise, license, advertising or other fee (except the annual software maintenance fee described below) during the term of the Distributorship Agreement.
- (2) You must purchase a minimum amount of Products from Mateo on a regular basis, at least equal to the following: (i) maintain a minimum inventory of Products equal to or in excess of the New Distributor Starter Inventory; (ii) on a weekly basis, purchase Products from Mateo in an amount not less than 80% of the "National Distributor Purchase Average," based on your 12-month rolling average, or, if you have been operating the Distributorship for less than 12 months, based on your year-to-date average; and (iii) maintain a minimum of a \$5500% rario of a calculation of your year-to-date purchase average divided by your year-to-date sales average.

As of December 31, 2009<u>2010</u>, the "National Distributor Purchase Average" was \$2,6973,001. The National Distributor Purchase Average is determined by dividing the total number of active Mateo distributors for any given weekly period during a calendar year into the year-to-date total dollar amount of qualifying Mateo Products purchased by such distributors during such period. The calculation of the National Distributor Purchase Average does not include the purchases of Mateo Products by new distributors as part of their New Distributor Starter Inventory. In addition, you must at all times maintain your inventory of Products at a level at least equal to the New Distributor Starter Inventory.

- (3) The computer maintenance and support charge is payable on the second month of the term of the Software License Agreement and annually thereafter upon the armiversary date of the Software License Agreement. The current annual charge is \$400, and this amount is subject to change by Mateo from time to time. Mateo has set specific hardware requirements in order to ensure proper functioning of the MDBS Software. The hardware specifications for the computer system are described in paragraph 4 of the Software License Agreement.
- (4) In the second year of the Software License Agreement, the annual maintenance and support charge may include an additional \$400 charge if your system does not satisfy our required and exact PC manufacturer, model, configuration operating system, virus protection and on-Matco-specified use of third-party software and Internet sites. Software maintenance and support does not include MDBS Software support services assisting in the removal of viruses, worms or spyware of any nature. This service may be available from Mateo at \$50/hour. (See Item 5 above and Paragraphs 2 and 6 of the Software License Agreement.)
- (5) If you or your initial operator elects to bring your or his/her respective spouse to the New Distributor Training Program, Mateo will charge you a flat fee in the amount of \$295, for food, lodging, and local transportation. Mateo encourages you to bring your spouse to the New Distributorship Training Program.
- (6) In late 2000, Mateo created a new Website, and offered all Distributors the opportunity to have his/her own web page on the Mateo Website. The Distributor must sign Mateo's "Mateo Tools Web Page Agreement" (curtenfly attached as Exhibit Q to the Distributorship Agreement). The Web Page Agreement requires a one-time \$195 set-up fee (see Item 5 above), and an annual maintenance fee of \$195 per year. The Distributor must comply with Mateo's web page policies which can be modified at Mateo's discretion.
- (7) If you do not obtain and maintain the required proper insurance coverage required under the Distributorship Agreement, Mateo may purchase the insurance on your behalf and will charge your Open Purchase Account for the premiums paid. (See Distributorship Agreement, Article 5.3.)

Each fee is imposed by and payable to Mateo, and are uniformly imposed on all distributors (unless otherwise noted). All fees are nomefundable. However, the Product inventory that you are required to purchase on a monthly basis is resalable.

Mateo does not have advertising ecoperatives.

#### (7) ESTIMATED INITIAL INVESTMENT

#### YOUR ESTIMATED INITIAL INVESTMENT

This table provides an estimate of your initial investment for your Mateo® Distributorship.

Type of Expendimre	Amount: Estimated Range Of Cost (Low-High)	Method of Payment	When Due	To Whom Paymen Is To Be Made
Initial Inventory <sup>1/</sup>	\$50,000 - 60,000	Lump Sum	Prior to Start	Mateo or Predecessor Distributor
Acquisition and Establishment of Time Payment Reserve Accounts <sup>2i</sup>	\$18,000 – 23,000	Lump Sum	Prior to Start	Mateo and/or Predecessor Distributor
Truck – three months lease payments <sup>3</sup>	\$3,400 – 77 <u>80,</u> 000	Monthly Installments	Monthly/Upon Delivery	Dealer or leasing company
Computer Hardware three months payments Hardware	\$150 <u>2.650\$2,600 -</u> <u>2,900</u>	Menthly Installments Lump Sum	Monthly/Upon Delivery	Supplier
Computer Software and Internet Service <sup>5/</sup> - three months payments	\$1,641 – 2, <del>391</del> <u>404</u>	Monthly Installments	Prior to Start	Mateo and Interne and Credit Card Service Providers
Insurance – three months premiums <sup>6</sup>	\$915 – 2,500	Lump Sum	Prior to Start	Supplier
Travel, Lodging and Meal Expenses <sup>17</sup>	\$170 – 2,515	Lump Sum	Prior to Start	Airlines, Hotels & Restaurants
Professional Services <sup>§</sup>	\$150 – 2,000	Lump Sum	As Arranged	Attorneys, Accountants and other professionals
Fixtures, Supplies, Licenses <sup>9</sup>	\$500 – 3,000	Lump Sum	Prior to Start	Suppliers
Additional Funds – three months 10/	\$5,000 – 13,500	Lump Sum	Prior to Start	Suppliers, as incurred
TOTAL	\$79,926— \$188,556 <u>\$82,376 —</u> \$191,819			

#### Notes:

Payments are not refundable unless otherwise noted.

(1) Your initial inventory will cost between \$50,000 and \$60,000. The current Distributor Starter Inventory is generally \$54,000. You must maintain or exceed this amount of inventory during the term of your Distributorship. This amount may increase periodically, due to various factors, such as

the cost of goods, the product mix, and/or the introduction of new tools (see Item 10). If you qualify, Mateo will finance up to \$72,000 (with no down payment) of the estimate for initial inventory (\$54,000) and Time Payment Reserve (\$18,000). You must maintain or exceed this Time Payment amount during the term of your Distributorship. Mateo's interest rate, which ranges from Prime Rate plus 5% up to Prime Rate plus 7%, will be based on your credit score at the time of submitting your Application. Mateo may also consider additional factors, such as the amount financed over/under the starter inventory (\$54,000), in determining your final interest rate. This factor, or others, could cause your interest rate to be lower or higher than the rate that is based solely on your credit score, with a variation of plus or minus 2%. Assuming a principal amount of \$72,000 at an annual percentage rate of 8.25% (Prime Rate plus 5%), weekly payments of \$203.76 would be made over a 120-month term. With an annual percentage rate of 10.25% (Prime Rate plus 7%), weekly payments of \$221.89 would be made over a 120-month term. (See Note 2 and Item 10.)

In certain simations, Mateo may also finance a portion of your initial purchase of inventory and Time Payment Reserve in excess of the estimated, or generally expected, levels of inventory and/or Time Payment Reserve. However, your additional purchases of initial inventory and Time Payment Reserve may exceed the amount Mateo will finance toward your initial investment.

- (2) In certain simations, Mateo may finance all or a portion of the Time Payment Reserve amount.
  - (3) The lower range of the estimated cost is an amount equal to three monthly lease payments of \$800 and down payment of \$1,000 on a used truck. The higher range of the estimated cost is an amount equal to the full cash purchase price of a new truck. (This does not include applicable federal and state excise, sales, or other taxes and licenses, which will vary from state to state.) We estimate that the average initial costs for the required truck will reflect a lease of a new truck, with a down payment of \$3,000 and three mondhly payments of \$1,297 each (\$3,891). The cost estimates are included for distributorships in the continental United States. We expect that the costs will be higher for distributorships in Alaska, Hawaii, and Puerto Rico due to transportation expenses and other costs that might be associated with transporting specially equipped vehicles to these types of distant locations. The Truck must be equipped and used solely for operating the Distributorship, and must meet Mateo's specifications and requirements to display your Product inventory and to provide on-site sales and service to your customers. Approval must be given in writing by Mateo if you wish to change trucks during the life of the Agreement.
  - (4) You are required to purchase or lease a new (not previously owned or refurbished) Dell Latimde, model £6509£6510, personal computer (a "laptop"). Mateo will provide you with its specifications for hardware (such as the operating system, hard drive size, memory, maintenanee/wartanty, printers, etc.) Matco-specified barcode reading and label printing equipment, and Mateo specified credit card swipe device. You will be responsible for acquiring and maintaining access to the Internet through a high-speed Internet Service Provider in order to communicate with Mateo. Cable or DSL connections are preferred. In addition, you will be required to purchase a cellular communications card and service in order to connect to the Internet while on your route. The hardware specifications for the computer system will be revised from time to time. Mateo establishes specific hardware standards solely for the purpose of optimum MDBS software performance. The current list is specified in paragraph 4 of the Software License Agreement. The 40 wer mage of the estimated cost is an amount equal to three monthly payments for We have negotiated a package price for the computer if you qualify for a loanhardware and peripherals from the supplier or thinneing source. The higher range of the estimated cost reflects the typical full cashmanufacturer, but you may purchase price of a complete system the products from any supplier. The figures in the chart reflect the package price for the computer hardware. You may be able to lease the equipment, but we are not aware of specific leasing prices and/or terms.

- (5) You must sign the Software License Agreement and pay the specified inirial software license fee for the MDBS Software which is currently \$799 and the specified annual fee of \$400 for the Systems Maintenance and Support upon the second month of the Software License Agreement (see Items 5 and 8). Additionally, as noted in Item 8 below, Mateo requires that you subscribe to an Internet service provider and/or cellular service provider. Curtently, the cost for such service, depending upon the provider and the level of service, ranges from \$60/month to \$110/month, and may vary greatly in different areas. The chart includes an estimate for 3 months of service, which includes cellular service. Additionally, the estimated range of costs as noted includes the one-time web page set-up fee of \$195 (see Item 5). However, not included in this chart, is the annual maintenance fee of \$195 as specified by the Web Page Agreement for your web page on the Mateo Website (see Item 6).
- (6) You must purchase comprehensive general liability insurance and vehicle liability insurance coverages with minimum limits of each policy of at least \$2,000,000. You must also purchase "replacement cost" coverage for your truck, computer system, inventory and other items used in operating the Distributorship. All insurance policies maintained by you must (a) designate Mateo as an additional named insured; (b) provide that Mateo receive a copy of all notices of cancellation, nonrenewal, or coverage change at least 30 days prior to the effective date; and (c) require the insurer to provide and pay for legal counsel to defend any claims or actions brought against you or Mateo. Insurance costs are highly dependent on the geographical location of your business, the dollar amount of your inventory, the type of truck you own and other factors.
- **(7)** Travel expenses include the estimated cost of travel to and from the location of the initial training program and your home, and the cost of travel to the dealership to take delivery of your tool truck and to drive it home. The acmal cost of travel will depend on your home location, your mode of fravel and whether your spouse accompanies you. Travel to and from the airport for scheduled arrivals and deparmres, and daily travel to and from Mateo's headquarters, is provided to you at no charge. (Unscheduled arrivals from the airport to the lodging facility will be at your own expense.) Mateo has negotiated lodging and meal accommodarions for distributors for attendance at the initial training program. The cost of the room and meals will be billed directly to your Open Purchase Account. Lodging is located near Mateo's headquarters, Cleveland Hopkins International Airport, and/or Akron-Canton Regional Airport. Lunches will be catered during acmal training sessions at a cost not to exceed \$11 per day, which will be billed to your Open Purchase Account at the conclusion of the initial training program. However, you will be solely responsible for weekend lunches and dinners. (The figure in the chart for the high end of the range includes the \$295 fee for your spouse.) Other expenses that you may incur, which are not included in the estimated cost, may include telecommunication charges, entertainment, alcoholic beverages, or rental car expense.
- (8) Professional services may include those provided directly to you for accounting, legal, and other consulting services. The employment of these services is at your discretion and fees will vary based on type of service, amount of service, and who provides the service. You are encouraged to obtain the guidance and assistance of a lawyer and/or accountant prior to signing the Distributorship Agreement. You also may require the assistance of those professionals during the early phases of operating your Distributorship.
- (9) The costs for initial fixmres, supplies, and licenses will vary by the specific requirements of each Distributor and the requirements of the local laws in which business will be conducted. Supplies include items such as work uniforms, business forms, stationery, business cards, catalogs, promotional literamre and sales materials. Licenses typically include general business licenses required by ciries and localities in which you will do business.
- (10) Your requirement for additional funds will vary. You will require an amount of initial capital at the time of start-up and will need working funds throughout the operation of your business. During training and before you begin operating your Distributorship you will not be earning income from the

Disfributorship. In addirion, during the initial start-up period of the Distributorship, cashflow may be insufficient to allow you to draw a salary or cover your personal living expenses. The estimated additional funds will help finance business expenses (i.e., truck operating expenses, freight, loan payments, cell phone, and bad debt on receivables) during start-up and during periods in which collections from customers are not adequate. This amount represents Mateo's estimate of the costs associated with the first three months of operating your Distributorship and is based on Mateo's working knowledge of the operating experiences of its existing Distributors. Also included in this figure is the test or lab fee for the prospective distributor drug test, discussed in Item 5 above and the charge for document processing and filing imancing documents, if any, as described in Item 5 above and Item 10 below. This estimate in this Item 7 is not an assurance that your Distributorship will be profitable. The estimated additional funds do not include any salary or draw for you to pay personal living expenses. Since the cost of personal living expenses varies greatly among Distributors, Mateo does not include those expenses in its estimates for your initial investment. As part of your financial planning, you must take your personal living expenses into account during periods of insufficient cashflow.

#### (8) RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You are required to sell only Products approved in writing by Mateo. You must purchase the Products only from suppliers who have been approved in writing by Mateo. Currentiy, Mateo is the only approved supplier of Products. All Products purchased from Mateo are resalable items.

- a. The Products are sold to you at a discount from recommended list price. The <u>discounts from the recommended list price vary from Product to Product, and may vary throughout the year based on special incentives or other promotions. The weighted average discount for all Products prior to additional promotions and other discounts is currently approximately 35%. The weighted average discount reflects the total of all items sold by Mateo as well as the varying discounts from list price for different items.</u>
- b. Volume Payment to Terms ("VPTT") Bonus. If a Distributor pays Mateo for products within 14 days of the Mateo invoice on a consistent basis, the Distributor will receive a rebate on these-purchases. The Volume Payment to Terms Bonus is that rebate. The rebate is based on the Distributor's 6-week purchase average, and the rebate ranges from 3% to 5.25% of the total invoice. The average VPTT earned in 20092010 was 1.93% of overall sales. (If you are not in compliance with the requirement to purchase at least 80% of the National Distributor Purchase Average, the ratio of purchase average to sales average (both of which are discussed in Item 6 above), or other standards or requirements under the Distributorship Agreement or the Manuals, Mateo may modify the VPTT Bonus such that the Bonus will only apply if you pay for products within 7 days of receipt of the invoice.)

The purchase of initial inventory from Mateo constitutes a range of approximately 26% to 63% of the cost of the establishing the Distributorship. Purchases of the Products throughout the term of the Distributorship will constitute approximately 6561% of the cost of operating the Distributorship.

Mateo will derive income from the sale of the Products by charging you wholesale prices that exceed Mateo's costs of supplying the Products. In the fiscal year ended December 31, 20092010, Mateo's total revenue from the sale of Products to its franchise distributors was \$215,053,0002393, or 82.52% of Mateo's total revenue of \$260,727,000280,836, as reflected in Mateo's audited financial statements.

You are required to heense, install, and utilize the MDBS Software (as described in Items 5 and 6 of this Disclosure Document) in your business. The software license fee amount is income to Mateo, and eonstitutes less than 1% of the cost of establishing the Distributorship, and less than 1% of the ongoing cost of operating the Distributorship. In the fiscal year ended December 31, 20092010, Mateo's total revenue from software license fees and software maintenance charges received from its distributors was \$698,946778.212, or approximately 0.3% (three-tenths of one percent) of Mateo's total revenue.

As discussed in Item 5, when you sign the Distributorship Agreement, you must also sign the Mateo Web Page Agreement, which permits you to establish a subpage on Mateo's website. You must pay Mateo a one-time web page set-up fee of \$195. If you continue to utilize a subpage, and neither we nor you cancel the Web Page Agreement, you must pay Mateo an annual \$195 maintenance fee. In fiscal year 20092010, Mateo received \$223,473213,330 in web page fees (initial and maintenance fees) from franchisees. This amount was less than one-tenth of one percent (0.1%) of Mateo's total revenue.

Mateo also requires during the term of your franchise that you subscribe, at your expense, to a reliable high-speed Internet service provider (cable, DSL or high-speed cellular) or other electronic communications provider or service and maintain an active e-mail account. In addirion, you are required to subscribe to a cellular Internet service provider in order to connect to the Internet while on your route. Both the service and provider may be designated by Mateo. Mateo makes or plans to make information available to you on the Internet at Mateo's expense. Also, Mateo may require that any and all communications between you and Mateo be made through the Internet or such other electronic medium as Mateo may designate. You will be required to access the Internet or other electronic information on a regular basis to obtain full benefit of the System. Many documents, such as weekly statements, will be delivered via e-mail. You must immediately norify Mateo's customer service department of any change to your e-mail address. Mateo is not liable for any damage to you including lost profits, delayed orders or the like which are the result of any outage or delay related to electronic fransmission of information, whether by the Internet or otherwise.

You must purchase or lease certain equipment and supplies (including, for example, business cards and stationery) that meet Mateo's specifications. You must purchase or lease a vehicle and computer hardware which meet Mateo's specifications and you must carry minimum insurance coverages on these and other items (as described in Item 7). Mateo's specifications for the vehicle, computer hardware and other equipment and supplies are based on Mateo's prior experience, requirements relating to the operation of the Distributorship, the supplier's ability to deliver, service, and support the items, and quality and uniformity considerations. Catalogs, promotional literamre, and other sales materials used in the operation of your Distributorship must comply with Mateo's standards, and may either be purchased from Mateo or from other sources who meet Mateo's standards. Upon request, you can receive from Mateo a written listing of its specifications and standards for equipment and supplies after you sign the Disfributorship Agreement, to the extent the specifications and standards have been developed. Mateo will update the specifications and standards from time to time in writing as may be required to respond to requirements for operating the Distributorships. While Mateo does not have a formal process for evaluaring suppliers, and does not generally charge fees to suppliers seeking to obtain approval, Mateo approves suppliers based upon their ability to satisfy, in Mateo's reasonable judgment, the specifications and standards for equipment and supplies. In some eases, approved suppliers may pay Mateo a periodic fee or a fee based on sales to distributors. In addition, occasionally one or more approved suppliers may make payments to Mateo (not based on sales to distributors) which Mateo has used for promotional and brand development purposes. In 20092010, Mateo received fees from suppliers in the amount of \$303-2-17206,232. Also, the figures in this Item 8 do not include any amounts treated as a passthrough, rebate, or other payment that was distributed back to the distributors. Mateo does not generally negotiate purchase agreements with suppliers, but it reserves the right to do so. Mateo has not established purchasing or distribution cooperatives.

Mateo also offers gift cards and electronic stored value cards ("gift cards") with which potential customers may purchase Products. Our current policy is that distributors are not required to accept Mateo gift cards, but you are encomaged to do so. If you accept Mateo gift cards as payment for Products, Mateo will redeem (that is, reimburse you for) those gift card purchases at 90% of the price at which you sold the Products.

Except for the Products, the MDBS Software, and the web pages, for which Mateo is the approved supplier, and except for the vehicle, where suppliers are designated, and for which there are currently only two recommended suppliers, and except for computer hardware equipment for the purpose of optimum operation, performance and support of the MDBS Software, you are not required to purchase or lease any goods, services,

supplies, fixtures, equipment, inventory, or real estate relating to the establishment or operation of the Distributorship from Mateo or from suppliers designated by Mateo.

Mateo does not provide material benefits to a Distributor (for example, renewal or extension of the term, or granting additional franchises) based on a Distributor's purchase of particular products or services or the use of particular suppliers, except that, as noted in Item 6 above, each Distributor must purchase at least 80% of the National Distributor Purchase Average as a condition of maintaining the Distributorship.

None of our officers owns an interest in any companies that are vendors or suppliers to the Mateo Distributors.

# (9) FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Distributorship Agreement. It will help you find more detailed information about your obligations in these agreements and in other Items of this Disclosure Document.

<b>Obli</b> gation	Section in Agreement	Disclosure Document Item
(a) Site selection and acquisition/lease	Not applicable	Not applicable
(b) Pre-opening purchases/leases	Articles 3.3, 3.5, 3.6 and 3.7 of Distributorship Agreement	Items 5, 7 and 8
(c) Site development and other pre- opening requirements	Not Applicable	Not applicable
(d) Initial and ongoing training	Article 4 of Distributorship Agreement	Item 11
(e) Opening	Article 1 of Distributorship Agreement	Item 11
(f) Fees	Articles 3 and 6 of the Distributorship Agreement	Items 5 and 6
(g) Compliance with standards and policies/Operating Manual	Article 3.10 of Distributorship Agreement	Items 8, 11 and 16
(h) Trademarks and proprietary information	Articles 7 and 9 of Distributorship Agreement	Items 13 and 14
(i) Restrictions on products/services offered	Article 3.2 of Distributorship Agreement	Items 1 and 16
(j) Warranty and customer service requirements	Articles 3.4 and 8 of Distributorship Agreement	Item 11
(k) Territorial development and sales quotas	Article 3.2 of Distributorship Agreement	Item 12
(I) Ongoing product/service purchases	Articles 3.3 and 6 of Distributorship Agreement	Items 6 and 8
(m) Maintenance, appearance and remodeling requirements	Article 3.6 of Distributorship Agreement	Item 11

Obligation	Section in Agreement	Disclosure Document Item
(n) Insurance	Article 5.3 of Distributorship Agreement	Items 7 and 8
(o) Advertising	Article 3.1 of Distributorship Agreement	Item 11
(p) Indemnification	Article 5.4 of Distributorship Agreement	Not applicable
(q) Owner's participation/manage- ment/staffing	Article 3.12 of Distributorship Agreement	Items 11 and 15
(r) Records/reports	Article 5.2 of Distributorship Agreement	Item 5
(s) Inspections/audits	Article 3.13 of Distributorship Agreement	Item 11
(t) Transfer	Article 10 of Distributorship Agreement	Item 17
(u) Renewal	Article 2.2 of Distributorship Agreement	Item 17
(v) Post-termination obligations	Article 11.5 of Distributorship Agreement	Item 17
(w) Non-competition covenants	Article 11.8 of Distributorship Agreement	Item 17
(x) Dispute resolution	Article 12 of Distributorship Agreement	Item 17

# (10) FINANCING

Mateo offers a number of financing programs to its distributors, as summarized in the following table.

Item Financed	Amount Financed	Down Payment	Term (Months)	APR%	Weekly Payment	Prepay- ment Penalty	Security Required	Liability Upon Default	Loss of Legal Rights on Default
Initial Invento-y and Financing of Time Payment Reserve Account Deposit (1)	\$72,000 of the initial purchase, depending on the required initial inventory amount	Currently \$0 to \$11,000, but may be required based upon applicant criteria	Up to 120	Up to 18% (annual rate); currently 8.25% to 10.25% where applicable (1)	\$203.76, to \$221.89, based upon \$72,000 with no down payment	None. Late payment fee of \$10	Personal guaranty; security interest in inventory and receiv- ables	Principal balance and accrued interest	Loss of all defenses
Open Account Product Purchases	Amount Purchased	None	Payment due upon receipt	22.5% annual interest (or the highest rate permitted by law) on balance of Open Purchase Account as of the date of termination or expiration (4)	N/A	None; 3% to 5.25% discount available to qualifying distributors for early payment.  Weekb lite charges at 5% of past due amount up to \$100 maximum.	Personal guaranty; security interest in inventory and receiv- ables	Fu]l amount	Default under Distribu- tor Agree- ment

# Notes:

Depending upon your available collateral, credit history and other credit factors, Mateo may finance up to \$72,000 (with no down payment) of the estimated initial inventory (\$54,000) and Time Payment Reserve Deposit (\$18,000). The loan will be evidenced by an Installment Promissory Note (the "Note"), a copy of which is attached as Exhibit C (Attachment 1) to the Distributorship Agreement. Mateo may also finance, at its sole discretion, a portion of your initial purchase of inventory and Time Payment Reserve Deposit in excess of the estimated, or generally expected, levels of inventory and/or Time Payment Reserve Deposit. (See Note 1 of Item 7) This additional financed amount will be included in the Note for the financed portion of your initial inventory and Time Payment Reserve Deposit discussed above.

The Notes provide for weekly payment of principal and interest at an annual interest rate, which is subject to change in accordance with the Prime Rate as reported in The Wall Street Journal. Mateo's interest rate will be based on your credit score at the rime of submitting your Application and the amount finaneed. The interest rate will be in a range of 5.0% to 7% plus the Prime Rate that is in effect when you are awarded a franchise. The rate of interest for the Note will be fixed for the term of the Note. As of January 8, 20403, 2011, the Prime Rate was 3.25%. The current percentage rate of interest that will be charged for initial inventory financing will be 8.25% (Prime Rate plus 5%) up to 10.25% (Prime Rate plus 7%). The term of the Note will be determined by Mateo and will be up to 120 months.

You will be in default under the Note if: (a) any installment of principal or interest on the Note is not paid when due or upon demand as provided for in the Note; (b) you fail to pay your debts as they

mamre; (e) you default under the Distributorship Agreement or any other agreement, note, lease, or contract between you and Mateo, or if any such agreement is canceled; (d) you cease operating the Distributorship or the Distributorship is dissolved, terminated, insolvent, or ceases operations; or (e) you fail to have the Note fully collateralized with inventory (as reflected in the Security Agreement, described below) at all fimes.

If you default under the Note, the principal balance and all accrued interest will become due and payable without demand. You and any endorsers or guarantors of the Note must waive demand, protest, presentment, notice of protest and non-payment or dishonor, and must also waive any and all defenses on the grounds of any extensions or partial payments which may be granted or accepted by Mateo.

The Note must be guaranteed by you or another person acceptable to Mateo. You must also sign a Security Agreement (Exhibit D to the Distributorship Agreement) granting Mateo a security interest in your inventory of Products and Accounts Receivable. At Matco's request, you must sign all necessary financing statements and other <u>franchise</u> documents and pay the costs of <u>document processing and</u> filing <u>fees for</u> such statements or other documents. Matco's-experience-has-been-that-chese costs-range from \$20 to \$200 per The processing/filing depending onfee is included as part of the statedocument processing fee that you pay at the time you execute the Distributorship Agreement.

Mateo financing will not be offered to all prospective distributors, but only to those that meet Matco's qualifications. Also, even in simafions in which Mateo offers financing, Matco is not required to offer financing for the maximum amount of up to \$72,000, but may offer financing for a lesser amount. Factors such as your qualifications and credit-worthiness will affect the level of financing that might be offered.

- (2) In some states, the maximum interest rate may be less than the amount stated in the chart due to state lending laws.
- Your purchases of the Products are charged to an Open Purchase Account on which payment is due upon your receipt of an invoice from Matco. Other charges to the Open Purchase Account, in addition to Product purchases and related charges, may include MDBS charges, web maintenance fees, Tool Expo charges, and training costs. If you do not make payment within 21 days of the invoice, the account is deemed delinquent by Mateo. Mateo will assess a \$fΦ5% per week late fee for each week that you fail to pay the balance owed up to \$100. If you pay within 14 days of the invoice, you may be eligible for purchase discounts, which may vary from 3% to 5.25% depending upon the volume of purchases. In addition, if you are not in eoinplianee with the National Distributor Purchase Average requirement, or the purchase average to total sales ratio discussed in Item 6 above, your Volume Payment to Terms Bonus will only be available if you pay for purchases within 7 days of the invoice (see Item 6 above). As noted in the chart, Mateo will have a security interest in the inventory and receivables and you must sign the Security Agreement noted above (even if you did not sign a Note described in Note (1) above).
- (4) Upon termination or expiration of this Agreement, you will pay Mateo interest on the balance owed under your Open Purchase Account as of the date of termination or expiration, at a rate of 22.5% annually, or the maximum rate permitted by law, whichever is lower. In addition, Matco may assess you a late fee of \$255% per week for each week that you fail to pay the balance owed on the Open Purchase Account following termination.

#### Installment Contracts (Pinehase Security Agreements)

In addition to the financing programs described above, Mateo offers three customer installment financing programs to qualified distributors. The purpose of these programs is to allow you to offer installment

financing to your or you qualify to pa	customers in amounts tarticipate in the custor	hat are beyond your ner installment fina	capacity to earry as Ti ncing program, you w	me Payment accounts. If ill sell Products to your

qualified customers pursuant to an installment sale contract (which is referred to as a purchase money security agreement or purchase security agreement (or "PSA"); Mateo will finance the purchase and accept assignment of the installment contracts under the terms and conditions of the Mateo Purchase Security Agreements/Credit Assignment Agreements. Copies of these agreements are attached as exhibits to this Disclosure Document. Mateo may consider one or more of the following factors when evaluating the qualifications of a distributor for a Purchase Security Agreement and/or the terms under which Mateo will purchase a customer's installment contracts from a distributor: (a) the distributor's purchase average, (b) the distributor's payment history on its open purchase account, (c) the value of the distributor's PSA contracts as compared to cash payments on the distributor's open purchase account, (d) the distributor's collection percentage from PSA accounts, (e) the customer's collection history, and (f) the customer's current and past credit history. Customers who are not U.S. citizens and/or may not possess social security numbers may not qualify for financing under the installment contract/PSA program.

Mateo offers three forms of Purchase Security Agreements/Credit Assignment Agreements to distributors: (a) a non-recourse credit assignment agreement, (b) a recourse credit assignment agreement with an addendum which provides that you need not obtain Mateo's prior approval of your credit history and the creditworthiness of the customer provided that the customer does not currently have a charged off account with Mateo (referred to as the "PSA Gold Card"), and (e) a 50% recourse credit assignment agreement (referred to as the "New Tech Program").

Under these forms of credit assignment agreements, upon acceptance of assignment of the customer's installment contract, you will receive a credit corresponding to the value of the net amount financed, less a reserve charge, to your open purchase account. This credit will be posted within forty-eight hours of the acceptance of a contract assignment by Mateo.

Under the current form of non-recourse credit assignment agreement, the price paid by Mateo to you for acceptance of the assigned installment contracts will not be less than 85% of the net cash price (although Mateo's current praefice is to assign installment contracts at 91% of the net cash price). However, Mateo may not accept assignment of any installment contract if the sale price exceeds the product's list price. Depending on the amount financed of your promissory note, a percentage up to 5% of your PSA credit may be applied to reduce the principal on any outstanding Mateo promissory note. Mateo will release you from all liability for the installment contracts, subject to certain exceptions enumerated in the agreement, and provided that you comply with the terms and conditions of the agreement. Under the Purchase Security Agreement/Credit Assignment Agreements, you must collect money owed by customers and remit the money to us. If you do not remit the full amount collected in a timely fashion, we may charge you an administrative fee, eurrendy set at \$25 per occurrence, per contract, for delinquent or insufficient payments, or inaccurate reporting, as consideration for, among other things, Mateo's time and efforts in collecting monies, addirional correspondence with you, credit bureaus and others, and administrative time and costs to correct data.

Under the current PSA Gold Card agreement the price paid by Mateo to you for acceptance of the assigned installment contracts will not be less than 95% of the net cash price of the installment contracts (although Mateo's current practice is to assign installment contracts at 97% of the net cash price). However, Mateo may not accept assignment of any installment contract if the sale price exceeds the product's hst price. The 3% deduction from the full net cost price of the assigned installment contracts is a charge payable to Mateo as assignee of the assigned installment contracts.

Under the current PSA New Tech Agreement the price paid by Mateo is 95% of the net cash price of the installment contract with a refundable reserve account.

Mateo has from time to time considered developing additional customer installment financing programs that may be recourse or non-recourse credit assignments, and/or may be available only to distributors who (a) qualify to participate; (b) have a minimum of six months or more experience as a Mateo distributor; and (c) are in compliance with their Distributorship Agreement. Curremly, however, the only Purchase Security

Agreements available are those described above. Mateo expects that if a new installment financing program is developed and offered in the future, participation in any such program will be voluntary.

### Equipment Leases

In addition to the two Installment Financing Programs listed above, Mateo also offers a Lease Program for qualified shop owners or other customers of the distributor. The purpose of this program is to offer to qualified customers financing on shop equipment. If you qualify for participation in the lease financing program, you may sell equipment to your customers by offering a closed end lease to your customer, and Mateo will finance the purchase under the Mateo Distributor Lease Agreement, a copy of which is attached as an exhibit to this Disclosure Document. Mateo will purchase the lease from you at a price that is not less than 90% of the value of the leased equipment, but not more than the list price. Mateo will be responsible for the collection of the lease payments until paid in full or until repossession is necessary. If the documents are not correctly and completely executed, Mateo may assign the documents to you for the amount owing under the lease at the time of the assignment.

The current program is a non-recourse program. Upon acceptance of the lease, Mateo will post a credit to the distributor's open purchase account less a reserve charge. The reserve will not be less than 90% of the sale amount (although current practice is to credit 100% of the sale amount).

\* \* \*

Mateo and/or its affiliates have in the past sold, and may in the fumre sell, assign, or discount, with limited recourse, certain accounts and notes receivable. To the extent the notes, contracts, or other instruments require Mateo to provide services to you, Mateo will remain liable to provide such services. However, the third party to whom the note, contract or other instrument is assigned may be immune under the law to defenses to payment you might have against Mateo.

Except as set forth above, Mateo and its affiliates (a) do not directly or indirectly offer or arrange any financing, (b) do not receive direct or indirect payments for placing financing, and (e) do not guarantee your obligarions to third parties.

#### (11) FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, Mateo is not required to provide you with any assistance.

Assistance Prior to Opening. Prior to beginning business under your Mateo® Distributorship, Mateo is required to provide you with the following:

(A) Mateo will provide you with a List of Calls and Potential Customer List (see Article 1.2 of the Distributorship Agreement). Mateo designates List of Calls and Potential Customer List by identifying a minimum of 325 potenrial customers at businesses that generally employ mechanics and other individuals who may be potenrial customers for the Products. Acmal or potential customers may or may not be U.S. citizens and may or may not possess social security numbers. Mateo is not required to assess, and is not responsible for assessing, whether the acmal or potential customer is a U.S. citizen. You will operate as a mobile distributor and will not have a specified place of business. It is generally expected that you will return your truck to your residence each evening, locate the computer at your residence, and otherwise operate the Distributorship from your residence. Mateo estimates that the length of time between the date you sign the Distributorship Agreement and the date you begin operating your Mateo® Distributorship will be between 20 and 45 days, depending on how quickly you can complete training and obtain the tmek, inventory, equipment and supplies needed to begin operations.

(B) Mateo will provide you with the use of a copy of the Manual (see Article 3.10 of the Distributorship Agreement). Mateo reserves the right to provide the Manual electronically or in an electronic or computer-readable format, for example, via the Mateo Distributor Business System, or another method, or on a CD. Following is the Table of Contents of the 275292 page Manual:

			Total Pages
	(1)	Getting Your Business Started on a Sound Foundation	<del>26</del> <u>25</u>
	(2)	How to Become a Successful MATCO Distributor	14
	(3) <u>27</u>	Getting Started - Day 1	<del>28</del>
	(4) <u>13</u>	Providing Your Customers with Excellent Service	42
	(5) <u>69</u>	Sales Basics for the Tool Business	67
	(6) <u>45</u>	Customer Service and Special Order Departments	<del>27</del>
	(7) <u>43</u>	Commercial Financial Services	46
	(8) <u>32</u>	Financial Management	<del>31</del>
	(9) <u>24</u>	Tool Boxes	22

(C) Mateo will provide you or your operator with at least 6070 hours of mandatory initial classroom training (the "New Distributor Training Program") at Mateo's corporate oftices in Stow, Ohio, or at such other location as may be designated by Mateo (see Article 3.8 and Article 4.1 of the Distributorship Agreement). You or your operator must successfully complete the New Distributor Training Program before operating your Distributorship. The New Distributorship Training Program will include classroom instruction on basic business procedures, purchasing, selling and marketing techniques, customer relations, basic computer operations and other business and marketing topics selected by Mateo. Mateo will instruct you using the learner method, videotape, computer-based training modules, and interactive video courses. The courses are as follows:

#### TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF FIELD (ON- THE-JOB)TRAINING <sup>(1)</sup>	LOCATION <sup>(2)</sup>
Introduction/ Corporate Information/ Building Tour	3 <u>5</u> Hours	Not applicable	Mateo's training facility in Stow, Ohio (see notes 1 and 2 below)

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF FIELD (ON- THE-JOB)TRAINING <sup>(1)</sup>	LOCATION <sup>(2)</sup>
Introduction to Tool Business	1 Hour	Not applicable	Mateo's training facility in Stow, Ohio (see notes 1 and 2 below)
MDBS Software Set-Up & Loading	2 Hours	2 Hours	Mateo's training facility in Stow, Ohio, and on your Truck (see notes 1 and 2 below)
Open Purchase Account & Financial Management Tools	14 Hours	5 Hours	Mateo's training facility in Stow, Ohio, and on your Truek (see notes 1 and 2 below)
MDBS/Business Applications	25 Hours	38 Hours	Mateo's training facility in Stow, Ohio, and on your Trnek (see notes 1 and 2 below)
Consumer Financial Services	2 Hours	8 Hours	Mateo's training facility in Stow, Ohio, and on your Tmek (see notes 1 and 2 below)
Mateo Product Knowledge	31 Hours	10 Hours	Mateo's training facility in Stow, Ohio, and on your Tmek (see notes 1 and 2 below)
Sales Training (Package Selling and Tote Tray Use)	9 Hours	10 Hours	Mateo's training facility in Stow, Ohio, and on your Tmek (see notes 1 and 2 below)
Customer Service Issues	2 Hours	7 Hours	Mateo's training facility in Stow, Ohio, and on your Truck (see notes 1 and 2 below)

# Notes:

- 1. Field Training is described in more detail below under the heading "Assistance Provided by Mateo during the Operation of the Business." Field Training is conducted under the supervision of Tracy Rohrbaugh and may be conducted by a Mateo regional or district business manager and/or one of the regional trainers employed by Mateo. Each regional trainer is a professional educator and has been trained by Mateo for the purpose of training Mateo's Distributors.
- Distributor training and development is conducted under the direction of Mike Swanson, National <u>Director</u>, Distributor Development-Manager. Mr. Swanson has been in his current position since <u>July-2007 November 2010</u>. Mr. Swanson was the <u>National Distributor Development Manager</u> from <u>July 2007 until November 2010</u>, a Mateo Regional Manager from January 2004 until July 2007

and the National Franchise Sales Manager from June 2002 to January 2004. Prior to that date, Mr. Swanson held positions of National Sales Development Manager, Manager of Distributor Communications, District Business Manager and started his career with Mateo in 1988 as a Mobile Tool Distributor. Tracy Rohrbaugh manages the New Distributor Training Program and supervises the classroom and field training conducted at Mateo Tools. Mr. Rohrbaugh has been Mateo's Manager of Training since August 2005. Mr. Rohrbaugh was a Mateo Field Trainer from January 1995 to September 1995 and the Coordinator of New Distributor Training from September 1995 to August 2005. Prior to joining Mateo, Mr. Rohrbaugh served in the U.S. Air Force as Training Operations Manager for the 371<sup>st</sup> Training Squadron, 3785<sup>th</sup> Training Wing. Training will begin after you sign the Distributorship Agreement. Mateo conducts the New Distributor Training Program on a monthly basis and expects that you or your operator will commence training within two weeks of executing the Distributorship Agreement.

The New Distributor Training Program will be provided to you or your initial operator at no cost, and is generally available within the one month period before you begin operating your Distributorship. In order to ensure the availability of local lodging while attending the New Distributor Training Program, Mateo has negotiated lodging and meal rates on your behalf. The cost of the room and meals will be billed directly to your Open Purchase Account. Any other charges incurred at the lodging facility will be due and payable directly to the facility at the time of checkout. In addition to lodging and meals, you will be required to pay all other expenses associated with attending the training, including travel and the salary, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance for any operator who will attend the New Distributor Training Program (see Article 4.2 of the Distributorship Agreement). If you or your initial operator elects to bring your respective spouse, Mateo will charge a flat fee in the amount of \$295.00 for food, lodging and local transportarion. Mateo encourages all distributors to bring their spouses to the New Distributorship Training Program.

Mateo will provide additional training and certification for distributors at such times as it may determine, and you, and your operator, if applicable, must attend this training and complete the certification procedures designated by Mateo. At its option, Mateo may require distributors to pay all or some portion of the cost of providing any such fumre additional training and/or certification procedures.

- (D) Mateo will provide you with the standards and specifications for the truck and uniforms required by Mateo for use in your Mateo® Distributorship (see Article 3.6 of the Distributorship Agreement).
- (E) Mateo will provide you with the standards and specifications for the computer hardware and software required by Mateo for use in your Mateo® Distributorship (see Article 3.7 of the Distributorship Agreement). You must comply with Mateo's standards and specifications for the computer hardware, software, and communications, and you must regularly update your computer hardware, software, and communications to comply with any new or changed standards and specifications. Currently, you are required to purchase a new (unused and not refurbished) Dell Latimde, model £6500<u>£6510</u> personal computer (a "laptop") meering the requirements described in paragraph 4 of the Software License Agreement (Appendix D, Exhibit O of this Disclosure Document). The MDBS Software is designed to assist you in minimizing paperwork and in managing your route and List of Calls, handling inventory, receivables and order processing functions, and performing other tasks relaring to operating the Distributorship. The MDBS Software performs numerous on-truck functions such as tracking of sales histories and accounts receivable, prinring of receipts and PSA quotes, credit applicarions and contracts, inventory tracking, tool repair tracking support, credit management, order placement, tracking of customers' orders, Product pricing, sales and collection records, weekly activity reports, and feedback reports from Mateo.

Mateo provides computer systems maintenance and support services Monday through Friday during the standard hours of 8:00 a.m. through 4:30 p.m., Eastern rime, at Stow, Ohio. Mateo will from time

to time review the MDBS Software for improved functionality and operating efficiency. Mateo will make such improvements and enhancements as it deems appropriate and will provide you with the updated software and documentation necessary to make the improvements on your system. You will be required to update your computer hardware and software from time to time in order to maintain compliance with Matco's then-current standards. There are no contracmal limitations on the frequency or cost of your updaring obligarions. You will be responsible for acquiring and maintaining the computer hardware and manufacturer's operating system software required to execute the MDBS Software. You will be responsible for handling all equipment hardware/warranty issues directly with the equipment manufaemrers. Except for the MDBS Software, you will have sole and complete responsibility for: (a) your own computer hardware and software as well as the manner in which those systems are maintained, upgraded, and operated in order to maintain compliance with Matco's standards as they may be modified from time to rime; (b) obtaining and maintaining access to the Internet through a subscription with an Internet service provider or a then-current technologically capable equivalent in accordance with Mateo's standards; (c) the manner in which your systems interact with Mateo's systems and those of other third parties; and (d) any and all consequences that may arise if your systems are not properly maintained, upgraded, and operated. Mateo will have access to certain sales, inventory, and accounts receivable collection information from a distributor's MDBS system. Mateo uses this data to prepare and provide reports to a distributor with key business statistics regarding the distributor's business. All data provided by you, uploaded to Mateo's system from your system, and/or downloaded from your system to the Mateo system, is and will be owned exclusively by Mateo, and Mateo will have the right to use such data in any manner that Mateo deems appropriate without compensation to you.

As described in Item 7, you may lease or purchase the hardware. The costs are estimated to be approximately-S50-per-month-under a lease, if-you-qualify-for-vendor-finanoing, or \$2,650600 to \$2,900 to purchase the equipment. As described in Item 6, the annual computer maintenance and support charges are \$400, or \$800 if your computer does not safisfy the required configuration.

(F) Mateo will provide you with the standards and specifications for the New Distributor Starter Inventory required by Mateo for your Mateo® Distributorship (see Article 3.3 of the Distributorship Agreement).

# Assistance Provided by Mateo during the Operation of the Business.

- (A) Mateo provides you with a designated trainer for a minimum of 80 hours of initial Field Training (see Article 4.2 of the Distributorship Agreement). The designated trainer may be a regional trainer and/or a regional or district business manager. The designated trainer will ride with you or your initial operator on sales calls. Topics covered during Field Training include purchasing, selling and marketing techniques, customer relations, computer operations, product knowledge, product demonstrations, order placement, credit and collections management, record keeping, and other topics relating to operaring your Mateo® Distributorship. Further information concerning Field Training is given in the table which appears under 11(C) above.
- (B) Mateo provides you with additional training, product updates and business seminars (see Article 4.3 of the Distributorship Agreement). Your attendance at additional training sessions and business seminars is generally opinional, however, you must attend at least 80% of the Matco-scheduled district sales meetings for your district in any 12-month period.
- (C) Mateo will, from time to time, advertise the Products in selected national and regional trade publications targeted toward the types of customers served by you and other Mateo® distributorships. Any such advertising is done at Mateo's expense and under Mateo's control.

- (D) Currently, Mateo makes available to you certain catalogs, promotional literature, and other sales materials at no cost. Other materials are available to you at a nominal charge to purchase at your option.
- (E) You are not required to conduct any direct mail or media advertising programs for your Distributorship. However, if you determine that direct mail advertising would improve your business, Mateo will, upon your request and at your expense, conduct direct mail markering programs which will include mailings to potential customers on your Potential Customer List. The content, promotional offerings, number, timing, and frequency of the mailings will be determined by the mumal agreement between you and Mateo. You must provide Mateo with an updated and verified list of potential customers on your Potential Customer List, including each potential customer's name, work location, and mailing address.
- (F) Any Website (as defined below) will be deemed "advertising" under the Distributorship Agreement, and will be subject to (among other things) Mateo's approval. (As used in the Distributorship Agreement, the term "Website" means an interactive electronic document, contained in a network of computers linked by communications software, that you operate or authorize others to operate and that refers to the Distributorship, the Marks, Mateo, and/or the System. The term Website includes, among other things, Internet and World Wide Web home pages.) In connection with any Website:
  - (1) Before establishing the Website, you must submit to Mateo a sample of the Website format and information in the form and manner Mateo may reasonably require.
  - (2) You may not establish or use the Webshe without Mateo's prior written approval.
  - (3) In addition to any other applicable requirements, you must comply with Mateo's standards and specifications for Websites as prescribed by Mateo from time to time in the Manual or otherwise in writing. If required by Mateo, you must establish your Website as part of Mateo's Website and/or establish electronic links to Mateo's Website.
  - (4) If you propose any material revision to the Website or any of the information contained in the Website, you must submit each such revision to Mateo for Mateo's prior written approval as provided above.
- (G) Mateo provides end-user financing programs to your qualified customers (see Item 10 under "Installment Contracts").
- (H) Mateo provides support of your sales and servicing activities through its warranty and non-warranty service programs.
- (1) Mateo provides weed-ly-and-emergency-shipments of Products to you, in accordance with the terms of the Distributorship Agreement (see Article 6 of the Distributorship Agreement).
- (J) Mateo provides periodic meetings with Mateo personnel for you and other distributors for the purpose of additional training, Product updates, seminars, motivational programs, and group idea exchanges (see Article 4.3 of the Distributorship Agreement).
- (K) Mateo provides you with computer software and support services in order to facilitate your operation of the Distributorship and the performance of your duties in connection with the Distributorship (see Article 3.7 of the Distributorship Agreement).
- (L) Mateo will make its then-current tool remm policy available to you. The current policy provides that during the term of the Distributorship Agreement or after its expiration or termination, you may remm

for credit to your open purchase account any eligible Mateo Products purchased from Mateo and listed in the then current Mateo Tools Price List, excluding special order; high obsolescence electronic; and, used or abused Products. Mateo will credit your open purchase account for the eligible remmed Products less a restocking charge, which presemly is 15%. A good faith effort will be made by Mateo to issue credit within 30 days of acceptance of the remmed Products. The criteria for Products that are eligible for return for credit is stated in Mateo's tool return policy. Mateo will revise its tool remm policy at such rimes as it may determine, and will inform you in writing of any changes when made.

Neither the Distributorship Agreement nor any other agreement requires Mateo to provide any other assistance or services to you during the operation of your Distributorship. As noted in Item 20 below, however, Mateo has a policy under which it will give you one or more new Mateo tool boxes for successfully referring a prospect who becomes a Mateo distributor. Beginning April 1, 2011, Mateo will enhance this policy by offering a choice between \$7,000 in free tools or a tool box instead of only one tool box for the first successful referral, with additional amounts of free tools or tool boxes for subsequent successful referrals.

#### Mateo Distributor Advisory Councils

Mateo does not have an advertising fund into which a Distributor must contribute, and Mateo does not have local or regional advertising cooperatives in which Distributors are required to participate. Mateo has a Mateo Distributor Advisory Council (MDAC) system to foster and enhance communications between Distributors and Mateo. The MDAC system is a strictly voluntary system, with MDACs at the district and regional level. MDAC representatives meet periodically with each other, with Distributors, and with Mateo managers and executives to discuss a variety of system issues. Mateo Distributors are not required to participate or pay any dues or other financial contributions.

#### (12) TERRITORY

#### Distributorship Agreement

You will only be allowed to operate your Distributorship at those locations idenrified on the List of Calls and on the Potential Customers List. The List of Calls and Potential Customer List will be idenrified and attached to the Distributorship Agreement. Prior to establishing a List of Calls, Mateo will conduct a survey of various geographic areas, prior Mateo distributor routes, and potential new distributor routes to determine a suitable List of Calls that contains, as of the date of the Distributorship Agreement, a minimum of 325 potential customers, the locarion of which will be identified on the List of Calls. Mateo provides no assurance that the potential customers will acmally become your customers, or that due to economics, demographics or other reasons, the number of actual or potential customers, and/or the businesses identified on the List of Calls, will not increase or decrease after the date of the Distributorship Agreement.

As noted above, the Distributorship is a business which operates principally from a vehicle, and which resells the Products to retail customers who are typically individual professional mechanics or businesses which operate from a single location, and who generally purchase the Products for their own use. If, and for so long as, you are in compliance with the Distributorship Agreement, Mateo will not operate, or grant a license or franchise to operate, a Mateo mobile distributorship that will be authorized to sell to any potential customers or acmal customers identified on your Potential Customer List, if such customers purchase Products at or from the business located and identified on the Potential Customer List (see Article 1.3 of the Distributorship Agreement).

Except for the rights expressly granted to you and provided in the Distributorship Agreement, Mateo retains all rights to sell, and license or authorize others to sell, Products to any customers, at any location, and through any channels or methods of distribution. Without limiting the foregoing, Mateo retains the following rights, on any terms and conditions Mateo deems advisable, and without granting you any rights therein:

- 1. Mateo, and any affiliates, licensees or franchisees of Mateo, if authorized by Mateo, will have the absolute right to sell the Products, directly or indirectly, or through non-mobile distributors, including commercial sales representatives, (A) to industrial customers, industrial accounts, and owners of vehicle repair businesses (including businesses, entities, governmental agencies, and others, including those which may be listed on the Distributor's List of Calls, but excluding the Potential Customers) who (i) have central purchasing functions, or (ii) may purchase and/or acquire special order products designed for multiple-party use, which are not included as part of Mateo's regular or special purchase inventory list, or (iii) may purchase Products through a bidding process, such as railroads, airlines, manufacturers, governmental agencies and schools, (B) to industrial and multiple-line and multiple brand wholesale distributors who may resell such Products to any potential purchaser or customer, including your customers, and (C) to vocational training schools and programs, and to the smdents and employees of those schools and programs.
- 2. Mateo, and any affiliates, licensees or franchisees of Mateo, if authorized by Mateo, will have the absolute right to sell the Products through (A) catalogs, (B) any current or fumre means of electronic commerce, including the Internet and Mateo's Website, and (C) at special and/or temporary venues (including race tracks, and other motor sports events).
- 3. Mateo, and affiliates of Mateo, may manufacture and/or sell products that are the same as or similar to the Products, and Mateo's affiliates may sell such products directly, or indirectly through wholesalers, suppliers, distributors or others, to potential customers who are the same as or similar to your potential customers and acmal customers. Mateo has no control over the sales or distribution methods or operarions of its affiliates, and Mateo has no liability or obligations to you due to any sales or distribution activhies of Mateo's affiliates. However, currently, neither Mateo nor its affiliates have any plans to operate a franchise system under different trademarks that offer the same or similar products.

Currently, Mateo sells the Products through its commercial sales department and commercial accounts program which is described in Item 1. Mateo also sells Products to the vocation school market (see Item 1). Except as set forth in Article 1.3, Article 1.4, and Article 3.4 of the Distributorship Agreement, there are no contractual limitations on the ability of Mateo or any affiliate to establish other franchises or company-owned oudets or other channels of distribution selling or leasing similar products or services under the Mateo® trademark or a different trademark. Mateo will have no liability or obligation to you if any customer or potential customer of yours purchases or receives Products through any method or channel of distribution described above, or otherwise reserved to Mateo. Further, Mateo has in the past granted (A) distributorships that do not have any territorial restrictions or limitations on the distributor, and (B) distributorships that have territories in which the distributor is not limited to selling Products to a specified number of customers. Mateo will use its best efforts to deter such distributors, and other distributors, from selling Products to customers on the Potential Customer List, but Matco cannot and does not provide you with any guaranty or assurance that such distributors will not offer and sell Products to your customers.

The continuation of your rights to sell Products to acmal or potential customers under the Distributorship Agreement is not dependent upon achievement of a certain sales volume, market penetration, or other contingency. However, Mateo may terminate the Distributorship Agreement if you fail to:

- (A) (i) maintain an inventory of the Products equal to or in excess of the New Distributor Starter Inventory; (ii) purchase Products, on a weekly basis, in an amount not less than 80% of the National Distributor Purchase Average based on your 12-month rolling average or, if you have been in business less than 12 months, based on your year-to-date average; and (iii) maintain a minimum of a 5560% ratio of a calculation of your year-to-date purchase average divided by your year-to-date sales average;
- (B) make personal sales calls on at least 80% of your acmal or potential customers each week and on each of your actual or potential customers at least once each month; and

(C) attend at least 80% of the Matco-scheduled district sales meetings for your district in any 12-month period.

For information regarding terminated and former Distributors, please see item 20 (but note that the list of Distributors that were cancelled or terminated, or otherwise left the system, includes Distributors who voluntarily or involuntarily "separated" for reasons other than failure to attain 80% of the National Distributor Purchase Average).

If you fail to make personal sales calls to at least 80% of your potential customers for three weeks out of any ten week period, or if you fail to make personal sales calls to each of your potential customers at least once each month for three consecutive months, or if you fail to attend at least 80% of the Matco-scheduled district sales meetings for your district in any 12-month period, then your exclusive rights under Section 1.3 of the Distributorship Agreement (described above) may be terminated, reduced, or modified in all respects by Mateo, immediately upon written notice from Mateo to you, and Mateo will have the absolute right to adjust the territory accordingly or appoint or permit one or more other distributors to sell Products to your potential customers, or to sell directly or indirectly, itself or through an affiliate, Products to your potential customers. (See Article 3.4 of the Distributorship Agreement.)

You do not have the right to relocate the Distributorship without written approval from Mateo's Vice President of Sales. You will not have the right or option to acquire additional Distributorships without written approval from Mateo's Vice President of Sales. If you seek to acquire an additional Distributorship, you must be in compliance with your Distributorship Agreement and all Mateo policies, including compliance with the Distributor Plus Guidelines.

#### (13) TRADEMARKS

You are licensed to operate your business under the name "Mateo® Tools." You are also authorized to use the logo which appears on the cover page of this Disclosure Document. You may only use Mateo's trademarks in the manner authorized in writing by Mateo. You will not have the right to sublicense, assign, or transfer your license to use the Mateo trademarks. You may not use the Mateo trademarks as part of your corporate or other legal name, or as part of any e-mail address, domain name, or other identification of you or your business in any electronic medium. You must use the Mateo trademarks only in the form and manner and with the appropriate legends as prescribed from time to time by Mateo.

The following is a list of the trademark and service mark registrations of Mateo's primary trademarks on the principal register of the United States Patent and Trademark Office (or applications on file on the Principal Register):

<u>Mark</u>	Registration No./ <u>Serial No.</u>	Registration Date/ Filing Date
MATCO	1,101,947	September 12, 1978
MATCO	1,115,963	April 3, 1979
Eagle Head in Hexagon	1,147,518	February 24, 1981
MATCO TOOLS & Design	2,809,904	Febmary 3, 2004

There are no currently effective material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, or the trademark administrator in any state or any court, no pending infringement, opposition or cancellation proceedings, and no pending material litigation involving these trademarks which limit or restrict their use in any state.

There are no agreements eurrendy in effect which significantly limit the rights of Mateo to use or license the use of these trademarks in any manner material to you. To the knowledge of Mateo, there are no infringing uses which could materially affect your use of the licensed trademarks or other related rights in any state. Mateo is obligated under the Distributorship Agreement to protect the rights which you have to use Mateo's trademarks and other related rights and to protect you against claims of infringement and unfair competition with respect to the trademarks. However, if anyone establishes to Mateo's satisfaction that its rights are, for any legal reason, superior to any of Mateo's trademarks, trade names or service marks, then you are required to use such variances or other service marks, trademarks or trade names as required by Mateo to avoid conflict with such superior rights.

#### (14) PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

#### **Patents**

While Mateo and/or Danaher subsidiaries own or may own design patents and/or utility patents on tool chests and possibly other products that might be sold by a distributor, there are no patents that are material to the distributorship.

### Copyrights

Mateo filed for, and received, a United States eopyright for its Mateo Distributor Business System (the MDBS Program, referred to in Item 5 above). The registration number is TX 2-495-161, and it was made effective on July 5, 1988. Mateo also filed for, and received, a Canadian copyright for the MDBS Program. The Canadian copyright is fitled "Computer Program for Aiding Distributors in the Distribution of Mateo Tools." The Canadian registration number is 437486, and it was made effective on October 18, 1994.

Mateo has copyrighted advertising materials and designs, training films, workbooks, the Manual, and items relating to the operation of Mateo® Distributorships. Other than the MDBS Program, Mateo has not applied to the United States Copyright Office to register its copyrights.

There are no infringing uses acmally known to Mateo that could materially affect your use of any copyrighted material supplied by Mateo in any state. There are no determinations of the Copyright Office or any court, no pending interference, opposition or cancellation proceedings, nor any pending material litigation involving such copyrighted materials which are relevant to their use in any state. There are no agreements currently in effect which significantly limit the rights of Mateo to use or lieense the use of these copyrighted materials in any manner material to you.

#### Confidential Operations Manual

In order to protect the reputation and goodwill of Mateo and to maintain operating standards under the System and the Marks, you must conduct your business in accordance with the terms of the Distributorship Agreement and in compliance with the provisions of the Manual and any written directives issued by Mateo.

#### Confidential Information

In addition to the Manual, Mateo will provide you with other confidential business information and proprietary materials which relate to the operation of the Distributorship business. You must keep confidential, during and after the term of the Distributorship Agreement, the Manual and all such confidential business information and proprietary materials disclosed to you by Mateo. You may not disclose the confidential information or proprietary materials to any person or use them for your benefit except in connection with the operation of your Distributorship business. You will be liable to Mateo for damages caused by any breach of confidentiality.

# (15) OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must use your best efforts to promote the sale of the Products and to provide service and warranty support to your actual and potential customers. You will be responsible for all aspects of managing the business including, but not limited to, extending credit, budgeting, monitoring and collecting rime payment accounts, collecting PSA Gold Card accounts, sales, purchases, and inventory management and control.

You must use your best efforts to timely and accurately enter and maintain, in its entirety, all business pertinent data on the MDBS business system relative to the operation of the Distributorship, including but not limited to customer data, product data, sales, returns, warranty and payments. Transactions must be completed in strict compliance with Mateo's standards, specifications and procedures, and any unauthorized adjustments, or non-compliant use or recordation of transactions (or failure to accurately record transactions) are prohibited.

Mateo expects that most Distributorships will be operated by an individual. The individual will operate the truck and conduct the daily operations of the Distributorship. Mateo recognizes that in some instances you may utilize the assistance of a spouse, friend, or assistant, and often it will be a spouse ("Spouse"). While Mateo recognizes the use of third party assistance in performing some clerical and bookkeeping functions, the appointment and grant of the Distributorship is to you, and Mateo will rely on you to perform the obligations required under the Distributorship Agreement. If you seek the assistance of a Spouse, both you and the Spouse will be liable for the financial obligations and debts of the Distributorship and for causing you to comply with this Agreement. In addition, the Spouse must comply with certain obligations under the Distributorship Agreement, such as, not disclosing confidential information and not engaging in competitive activities (See Item 17 below, and Section 1.6 of the Distributorship Agreement). If the Distributorship is granted to a partnership, corporation, or limited liability company, an individual designated by the partnership, corporation, or limited liability company must manage the business and personally guarantee all debts and obligations of the distributorship to Mateo.

While the Distributorship is contemplated to be operated by one individual, if you own more than one Distributorship, you may appoint an "Operator" to operate the second Distributorship, subject our approval. If you have only one Distributorship, and you desire to hire a third party to operate your sole Distributorship, you must obtain prior written authorization from Mateo's Vice President of Sales before doing so. In either ease, you must obtain Mateo's approval, the appointed "Operator" must successfully complete the New Distributor Training Program, and you must agree to assure that all business information and materials disclosed to you and/or your operator will be kept confidential. Your operator must sign a confidentiality and non-compete agreement, in a form that is acceptable to Mateo, which will contain covenants similar to those described in Items 14 and 17.

# (16) RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only sell Products and other merchandise approved by Mateo, and you may not sell any products, tools, equipment, or other merchandise which are competirive with any of the Products, except for items that are traded-in by your customers, without Mateo's prior written consent. Mateo reserves the right to change the types of authorized products and services which comprise the Products at any time in our discretion. Further, you may not offer for sale, sell, or distribute any product not approved in advance by Mateo (including, for example, hazardous materials, pornographic materials, or products not related to your business) and you must discontinue the offer, sale, or distribution of products promptly upon notice from Mateo. You may not operate the Distributorship or sell any Products to any person, entity, or business, or at any location not identified on the Potenrial Customer List, even if such potential customer or location is adjacent to, or near, a location on your List of Calls or Potential Customer List. Also, you may not sell Products to any customer who moves to a location or business not identified on the List of Calls or Potenrial Customer List. Provided that you comply with the Distributorship Agreement and the requirements of the System, Mateo will not impose any other restrictions upon you as to the goods or services which you may offer or to the customers to whom you may

sell. Mateo does not impose any restrictions or requirements concerning the prices at which the Products or other goods or services may be sold by you.

# (17) RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

# THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Distributorship Agreement and related agreements. You should read these provisions in the Distributorship Agreement attached to this Disclosure Document.

	Provision	Section in Distributorship Agreement	Summary
a.	Length of the franchise term	Article 2.1	10 Years
b.	Renewal or extension of the term	Article 2.2	10 Years
с.	Requirements for franchisee to renew or extend	Article 2.2	You must give 180 days notice, but not more than one year's nrior notice; satisfy all material requirements of your current Distributorship Agreement; pay all amounts due to Mateo; modernize your Mateo Tmek and equipment; sign a new Distributorship Agreement (and this new agreement may have terms and conditions that are materially different from the original Distributorship Agreement); and sign a joint and mumal general release
d.	Termination by franchisee	Article 11.1	30 <u>45</u> days notice
e.	Termination by Franchisor without cause	Not applicable	Not apphcable
f	Termination by Franchisor with cause	Article 11.2	Mateo has the right to terminate your Distributorship Agreement if you are in breach of the Distributorship Agreement or any agreements entered into with Mateo, make an assignment for the benefit of creditors, face a proceeding in bankruptcy, attempt to assign or transfer without Mateo's consent, abandon the Distributorship, either voluntarily or involuntarily or due to repossession of the Mateo Tools truck and inventory, fail to make timely payments, refuse to perform a physical inventory if required by Mateo, or deny Mateo access to audit books and records. In lieu of termination, Mateo may take certain actions or implement other changes. See, for example, item 8 above regarding VFTT Bonus, and Section 11.9 of the Distributorship Agreement.

3/29/1011/11

	Provision	Section in Distributorship Agreement	Summary
g.	"Cause" defined – curable defaults	Article <u>Articles</u> 11.2 <u>and 11.3</u>	If applicable law does not specify a time period, you will have 30 days to cure a violation of any material provision of the Distributorship Agreement; you make an assignment for the benefit of creditors; a proceeding is instimted against you in bankruptcy or insolvency; you attempt to assign your Distributorship Agreement without Mateo's consent; or you fail to timely pay any amount due to Mateo
h.	"Cause" defined – non-curable defaults	Article 11.4	You will not have a right to cure if you abandon your Distributorship; you are convicted of or plead guilty to a gross misdemeanor or felony; your conduct materially impairs Mateo's marks or the System; you refuse to allow Mateo to audit your books; you have been found to have submitted fraudulent credit applications; you commit fraudulent act(s); you offer to sell or sell any products to customers not identified on your List of Calls or Potential Customer List without Mateo's express written authorization; you cannot perform obligations for six consecutive months or for six months within a period of 18 consecutive months; you die; you commit the same default again within a 12 month period after the previous default that you previously cured or you commit the same or different default three or more times within any 12 month period, whether or not cured after notice; or you make an assignment for the benefit of creditors or if a voluntary or involuntary proceeding is instimted against you in bankruptcy or under any other insolvency or similar law; or you fail to submit to, or you fail, any dmg or alcohol test required by Mateo.
i.	Franchisee's obligations on termination or nomenewal	Article 11.5	You must cease using Mateo's marks and the System; remove Mateo's marks and logos from your Mateo tmek; pay what you owe Mateo pursuant to the Distributorship Agreement, including interest on your Open Purchase Account's balance; provide Mateo with all inventory and financial information for last 12 months; provide Mateo with all customer information; and remmall printed materials, software and manuals Matco provided you.
j.	Assignment of the contract by franchisor	Article 10.5	No restriction on Mateo's right to assign
k.	"Transfer" by franchisee – defined	Article 10.1	Transfer of any interest in the Distributorship or substantially all of your Distributorship assets
I.	Franchisor approval of transfer by franchisee	Article 10.2	Mateo must approve in advance and in writing any transfer made by you but will not unreasonably withhold its consent

	Provis <b>i</b> on	Section in Distributorsh <b>i</b> p Agreement	Summary
m.	Conditions for franchisor approval of transfer	Article 10.2	You are not in default and pay all money owed to Mateo pursuant to the Distributorship Agreement; you sign a joint and mutual general release with Mateo; the transferee meets Mateo's standards; the transferee successfully completes the New Distributor Training Program; and you and the transferee complete all necessary assignments and other legal documents. Mateo may also rely on any other reasonable conditions in determining whether to approve the transfer.
n.	Franchisor's right of first refusal to acquire franchisee's business	Not applicable	Not applicable
о.	Franchisor's option to purchase franchisee's business	Not applicable	Not applicable
p.	Death or disability of franchisee	Article 11.4	The death of the Distributor is grounds for default and termination of the Distributorship Agreement. You will not have the right to cure if you are disabled to the extent that you cannot perform such obligations contained in the Distributorship Agreement for a period of six consecutive months, or if you die.
q.	Noncompetition covenants during the term of the franchise	Article 11.8	During the term of the Agreement, the Distributor and Spouse must promise that the Distributor, Spouse, the Distributor's employees and the immediate family members of the Distributor and Spouse will not engage in any activities in direct or indirect competition with Mateo, including without limitation, a business that manufactures, sells, and/or distributes any products that are the same as or similar to the Products, and will not sell or attempt to sell to any customers or Potential Customers of the Distributorship any products that are the same or similar to the Products.
r.	Noncompetition covenants after the franchise is terminated or expires	Articles 10.6 and 11.8	For one year after the termination of your Distributorship Agreement, the Distributor and Spouse must promise that each of the Distributor, Spouse, the Distributor's employees and the immediate family members of the Distributor and Spouse will not sell or attempt to sell any tools to any customer to whom the Distributor sold Products in the previous 12 months, or to any person or business located on, or identified in, the List of Calls and Potential Customer List if the Distributor had made any sales calls to such person or business in the previous 12 months. Mateo encourages new Distributors to obtain a noncompetition agreement from the previous Distributor in connection with a transfer or assignment of the route, the business or the accounts.
s.	Modification of the agreement	Article 13.5	Any modification must be in writing and signed by both you and Mateo.

	Provision	Section in Distributorship Agreement	Summary
t,	Integration/merger clauses	Article 13.5	The Distributorship Agreement is the entire agreement between you and Mateo, but this provision will not act, or be interpreted, as a disclaimer of any representation made in this Franchise Disclosure Document or its exhibits or amendments.
u.	Dispute resolution by arbitration or mediation	Article 12	Except for certain claims, all disputes must be arbitrated in Summit or Cuyahoga County, Ohio
v.	Choice of fomm	Article 12.9	Litigation must be in Summit or Cuyahoga County, Ohio (See Note <u>1</u> below)
w.	Choice of law	Article 13.3	Governing law wdl be the laws of the State of Ohio (See Note 1 below)

Provisions of the Distributorship Agreement giving Mateo the right to terminate in the event of your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. See. 101, et seq.).

#### **Notes**

- 1. If a state law requires any modifications to these provisions of the Distributorship Agreement, those modifications will be found in Exhibit H, the State-Specific Disclosures and State-Specific Amendments to the Distributorship Agreement.
- 2. In addition to the provisions noted in the chart above, the Distributorship Agreement contains a number of provisions that may affect your legal rights, including a mumal waiver of a jury trial, mutual waiver of punifive or exemplary damages, and limitations on when claims may be raised. See the Distributorship Agreement Article 12. We recommend that you carefully review all of these provisions, and all of the contracts, with a lawyer.

# (18) PUBLIC FIGURES

Mateo does not use any public figure to promote the Distributorships.

#### (19) FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the acmal records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Presented below are certain operating results from 1,005006 Distributors in 2009—The chart 2010.

<u>Chart 19-A</u> retlects <u>certain-the</u> average gross revenue figures, referred to as "Average Total Completed Business," for the Mateo Distributors, which includes the revenue from the sales of Mateo Products and other products. The information is segregated into thirds, based on Total Completed Business. The information in

3/29/4011/11

tho-chart <u>Chart 19-A</u> is explained below. Please read carefully all of the information in this Item 19, and all of the notes following the data, in conjunction with your review of the historical data.

<u>Chart 19-A</u>
Average Total Completed Business — 2009—2010

<u>Top 1/3</u>		Middle 1/	3	Bottom 1/3			
\$371.780 <u>\$391</u>	<u> 3,855</u>	<del>\$250,1</del> 70 <u><b>\$27</b>(</u>	<u>),439</u>	\$173,005 <u>\$183,614</u>			
No. of Distributors Above Average	<del>126</del> <u>123</u>	No. of Distributors Above Average	4 <del>57</del> <u>152</u>	No. of Distributors Above Average	<del>199</del> <u>185</u>		
No. of Disttibutors Below Average			<del>178<u>184</u></del>	No. of Distributors Below Average 136149			

# <u>Chart 19-B</u> Distributor Sales Margins – 2010

<u>Presented below are the average sales margins for the 1,006 Distributors in 2010. The "average sales margins"</u> data is segregated into the same groups as in Chart 19-A.

Mateo's 1,006 Distributors reported the following average sales margins in 2010:

<u>Top 1/3</u>	Middle 1/3	Bottom 1/3
37.3% of purchase price	37.4% of purchase price	34.9% of purchase price
No. of Distributors Above Average 243	No. of Distributors Above Average 246	No. of Distributors Above Average 204
No. of Distributors Below Average 93	No. of Distributors Below Average 90	No. of Distributors Below Average 130

The information in Chart 19-B is explained in Note 3 below. Please read carefully all of the information in this Item 19, and all of the notes following the data, in conjunction with your review of the historical data.

#### **Notes**

1. The charts reflect the operating data for 1,005006 Mateo Distributors in the United States that were in business for all of 20092010, and that reported sales for at least 48 weeks during 20092010. Mateo is not providing, and this chart does not reflect, information regarding Distributors who started during 20092010, or those who left the system or stopped selling Mateo products during 20092010. The three groupings of Distributors (Top 1/3, Middle 1/3 and Bottom 1/3) included 335336 Distributors in each-the Top 1/3 group, 336 Distributors in the Middle 1/3 group, and 334 Distributors in the Bottom 1/3 group.

- 2. The terminology, "Average Total Completed Business," as used in this chart Chart 19-A means the total cash or revenue a Distributor received during 20092010 including sales tax collected, from the sale of all products and services. This includes revenue from the sale of Mateo Products and products acquired from third parties. The revenue received by the Distributors is comprised of cash sales, Time Payment collections from previous sales, credits received by the Distributor from the sale of PSA (Purchase Security Agreements, which are installment contracts; see Item 10 above), cash received based on monthly invoices and customers (usually products sold to a shop or business, and not an individual), and rebates based on timely payments for products (see note 3 below). The average is comprised by adding the total business for all Distributors in the group, and dividing that number by the number of Distributors in the group. This does not include any Volume Payment to Terms bonus, or rebate, payments.
- 3. Chart 19-B: As discussed in Item 8 above, Mateo sells Products to Distributors at discounts from the recommended list price. And there are varying discounts on different Products, as well as specials and promotions throughout the year. The Distributors may sell the Products at any price they choose. The "sales margin" is the difference between the Distributor's selling price for a Product and the price the Distributor paid for the Product. For example, if a Distributor paid \$100 for a Product and sold it for \$135, the sales margin would be 35% (\$135-\$100 = \$35; \$35 divided by \$100 = 35%.) The "average sales margin" was calculated by each Distributor by adding all of the distributor's sales margins for all sales in 2010, and dividing that number by the total number of sales made in 2010. The data in Chart 19-B reflects the chartaverage sales margins for all Distributors in the sample, segregated by thirds as in Chart 19-A. Each grouping of a tlurd of the Distributors is an average for the Distributors in that specific group (Top 1/3, Middle 1/3 and Bottom 1/3).
- 4. The data in the charts is obtained from the Distributors through the MDBS system (see Item 11). As Distributors purchase products from Mateo, they also report on sales made and revenue received. A weekly sales report is generated if the Distributor places an order to purchase products in a given week. Therefore, the information in the chart is based solely on data received from the Distributors through MDBS. These figures have not been reviewed or audited by Mateo.
- 5. Substanriation of the data used in preparing the materials in this these Item 1919 charts will be made available to you upon reasonable request.
- 6. Actual results vary from Mateo Distributorship to Mateo Distributorship. Your sales, revenue and income will be affected by a variety of factors, including your sales and marketing skills; your frequency of visits to acmal and potential customers; efforts to collect on unpaid invoices or installment contracts; retail prices you charge for products; discounts you may offer; prevailing economic or market conditions; demographics; interest rates; your capitalization level; the amount and terms of any financing that you may secure; and your business and management skills.
- 7. Other than revenue figures above, the ohatt-doeseharts do not include any estimate of, or specific or historic data regarding, costs, expenses or debts that a Distributor has incurred, or may in the future incur. We cannot predict or project your costs and expenses. The following is a list of the types of expenses that a Mateo Distributor may incur:
  - Labor costs, including payroll, taxes and benefits (which may include health and/or life insurance, vacation, and pension plan contributions) for you, the individual Distributor, or any employee.
  - Cost of goods sold, which includes wholesale cost of products that may be offered.
  - Truck costs, including lease or purchase payments, maintenance, gas, and similar costs.
  - Insurance.
  - Marketing and promotional costs.

The types of expenses, and the amount of costs and expenses, are likely to vary from Mateo Distributor to Mateo Distributor and from list of calls to list of calls. These may not be all of the expenses that you may incur.

- 8. Prospective distributors should be aware that in evaluating a financial performance representation or an earnings claim that includes revenue or sales figures only, or does not include all costs of goods sold, operating expenses, and other expenses, that costs and expenses must be deducted from the gross revenue or gross sales figures to obtain net income or profit. This Item 19 financial performance representation does not include net income or profit.
- 9. The information in this Item 19 reflects the aggregate results of 1,005006 Mateo Distributors. It is not a representation or guarantee that you will or may achieve any particular level of revenue, sales, or profits in the operation of your Distributorship. We cannot esrimate or predict the results that you may experience as a distributor. You are strongly advised to conduct an independent investigation of this opportunity to evaluate the expected or potential costs and expenses you will incur as a Mateo Distributor. You should consult your attorney, accountant, and other professional advisors. Also, current and former Distributors listed in this Disclosure Document may be one source of information.
- 10. Except as disclosed above, we do not make any written or oral representations or statements of acmal, average, projected, or forecasted sales, profits, or earnings to prospective distributors. We do not furnish any oral or other written information concerning the actual or potential sales, costs, or income of your business. We do not authorize any person representing us to furnish this type of information or to represent or estimate to prospective distributors, any dollar figures relating to a distributor's operation. You understand that if you receive any unauthorized representations as to eamings, sales, profits, or prospects or chances for success, you should not and will not use or rely on any representations as you consider your purchase of a Mateo Distributorship.

# (20) OUTLETS AND FRANCHISEE INFORMATION

As of December 31, 20092010, Mateo had 1,462418 operational Mateo® Distributorships and no5 companyowned Mateo® Distributorships. The following tables provide information concerning the Mateo® Distributorships by state:

Table 1
Systemwide Outlet Summary
For years 2007-2008, 2009 and 2010 (Note 1)

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	<del>20</del> 072 <u>008</u>	44 <del>00</del> <u>1479</u>	4479 <u>1443</u>	( <del>11)</del> 36)
' _	<del>2008</del> 2009	44 <del>79</del> <u>1443</u>	4443 <u>1462</u>	<del>(36)</del> 19
	2009 <u>21)10</u>	4443 <u>1462</u>	44 <del>62</del> <u>141<b>8</b></u>	49 <u>(44)</u>
Company-Owned _	<del>2007</del> 2008	0	0	0
	<del>2</del> 008 <u>2009</u>	0	0	0
	200920111	0	0 <u>5</u>	0 <u>5</u>

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Total Outlets	<del>2007</del> 2 <u>008</u>	4490 <u>1479</u>	<del>1-179</del> <u>1443</u>	(411 <u>36)</u>
	2008 <u>2009</u>	1479 <u>1443</u>	1443 <u>14<b>62</b></u>	<del>(36)<u>19</u></del>
	<del>2009</del> 2010	4443 <u>1462</u>	1462 <u>1423</u>	19 <u>(39)</u>

# Notes:

(1) All numbers are as of the fiscal year end. Each fiscal year ends on December 31.

Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2007-to 2008, 2009 and 2010 (Note 1)

State (Note 2)	Year	Number of Transfers
Arizona	20072008	2
_	20082009	<u>24</u>
	<del>2009</del> <u>2010</u>	41
Arkansas _	20072008	0
_	2008 <u>200</u> 9	01
	20092010	40
California _	20072008	10
<del>.</del>	20082009	0
	20092010	<u>01</u>
Colorado _	<del>2</del> 0072 <u>008</u>	0
_	2008 <u>2009</u>	<u>01</u>
	<del>2</del> 009 <u>2010</u>	40
Connecticut _	20072008	0
_	20982009	01
	20092010	10
Florida	20072008	0
_	20082009	02
	20092010	21
Georgia _	20072008	00
<u>-</u>	<del>2008</del> <u>2009</u>	02
	20092010	2 <u>0</u>
[llinois	20072008	4 <u>0</u>
_	20082009	<u>02</u>
	20092010	2
(ndiana _	20072008	0
<u>-</u>	20082009	01
	20092010	4 <u>3</u>
-ouisiona <u>Iowa</u>	2007 <u>2008</u>	20
_	20082009	0
	20092010	1
Miehigan <u>Lnuisiana</u>	20072008	0
	20082009	01

State (Note 2)	Year	Number of Transfers
	2009 <u>2010</u>	, 2 <u>0</u>
Minnesota <u>Michigan</u>	20072008	0
	20082009	0 <u>2</u>
	20092010	21
Montona <u>Minnesota</u>	20072008	0
	200 <u>82009</u>	0 <u>2</u>
	<del>2</del> 009 <u>2010</u>	40
New-Jersey-Montana	<del>2</del> 007 <u>2008</u>	0
	<del>2</del> 00 <u>82009</u>	01
	<del>2</del> 009 <u>2010</u>	40
New Mexico <u>Jersey</u>	2007 <u>2008</u>	0
	20082009	01
<del></del>	20092010	10
New York <u>Mexico</u>	20072008	0
	200 <u>82009</u>	01
_ <del></del>	20092010	50
Ohiø <u>New York</u>	20072008	+0
	20082009	05
_	20092010	0
Pemisyivania <u>Oklahoma</u>	20072008	0
	20082009	0
<del></del>	20092010	1
TexasPennsylvania	20072008	+0
	20082009	1
<del></del>	20092010	41
Virginia <u>Texas</u>	20072008	01
	20082009	04
	20092010	10
Washington <u>Virginia</u>	20072008	0
· <del></del>	20082009	01
_	20092010	20
W <del>isconsin</del> Washington	20072008	10
THE STATE OF THE S	20082009	02
<del></del>	20092010	0

State (Note 2)	Year	Number of Transfers
Total	<del>2</del> 007 <u>2008</u>	9 <u>3</u>
_	<u> 20082009</u>	3 <u>5</u>
	<del>2</del> 009 <u>2</u> 010	<del>3</del> 5 <u>12</u>

# Notes:

- (1) All numbers are as of the f.scal year end. Each fiscal year ends on December 31.
- (2) States not listed above did not have any activity or distributorships during these three years.

Table 3
Status of Franchised Outlets
For years 2007-to 2008, 2009 and 2010 (Note 1)

State	Year	Outlets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Alapama	2007 <u>20</u> 08	<del>15</del> <u>16</u>	<u>31</u>	<u>1</u>			2	16 <u>14</u>
	2008 <u>20</u> 02	16 <u>14</u>	4 <u>3</u>	1			2	44 <u>17</u>
	2009 <u>20</u> 10	4+ <u>17</u>	<u>32</u>					47 <u>19</u>
Alaska	2007 <u>20</u> 08	7	2	<u>1</u>			<u> 21</u>	7 <u>5</u>
	200 <u>820</u> 0 <u>9</u>	7 <u>5</u>		4			1	5
	2009 <u>20</u> 10	5						5
Arizona	2007 <u>20</u> <u>08</u>	<u> 3837</u>	7 <u>15</u>	<u>2</u>			<u>&amp;7</u>	<u>3743</u>
	2008 <u>20</u> 02	<del>37<u>43</u></del>	15 <u>7</u>	2			7	43 <u>41</u>
	2009 <u>20</u> 10	<u> 1341</u>	7 <u>6</u>	<u>2]</u>			<u> 23</u>	11 <u>43</u>
ArLansas	2007 <u>20</u> 08	17 <u>18</u>	<u>35</u>				24	18 <u>19</u>
	2008 <u>20</u> 0 <u>9</u>	1 <u>8</u> 19	5				4 <u>3</u>	19 <u>21</u>
	2009 <u>20</u> 10	+9 <u>21</u>	<u>5]</u>	2 #			3	24 <u>17</u>
California	2007 <u>20</u> 08	195 <u>194</u>	<del>27</del> <u>17</u>	<u>26</u>	1 <u>2</u>		<del>25</del> 2 <u>6</u>	+9+ <u>177</u>

State	Year	Outlets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
	2008 <u>20</u> 09	<del>19</del> 1 <u>177</u>	+7 <u>16</u>	6 <u>7</u>	2		<del>26</del> 2 <u>1</u>	477 <u>165</u>
	2009 <u>20</u> 10	+77 <u>165</u>	1 <u>6</u>	7 <u>6</u>			<del>2</del> 1 <u>22</u>	4 <b>6</b> 5 <u>153</u>
Connecti- cut	2007 <u>20</u> <u>08</u>	++ <u>15</u>	3	1			1	<del>15</del> <u>17</u>
	<del>2008</del> 20 <u>09</u>	<del>15</del> <u>17</u>	<u>31</u>				1	17
	2009 <u>20</u> 10	17	1			<u> </u>	1	<del>17<u>18</u></del>
Co_arado	2007 <u>20</u> <u>08</u>	<u>2425</u>	7 <u>6</u>	1	<del></del> -		5	<del>2</del> 5 <u>26</u>
	2008 <u>20</u> 02	<u>2526</u>	4 <u>9</u>	1		·	<u> </u>	<del>26</del> <u>31</u>
	2009 <u>20</u> 10	<u> 2631</u>	9 <u>3</u>	+			<u>38</u>	3-1- <u>2-6</u>
Delaware	2007 <u>20</u> 08	3	1				1	<u>32</u>
	2008 <u>20</u> 09	<u> 32</u>					1	<u>21</u>
	2009 <u>20</u> 10	<u>21</u>	<u>1</u>				+	4 <u>2</u>
District of Columbia	2007 <u>20</u> <u>08</u>	0		<u> </u>		·		0
	200 <u>820</u> 09	0						0
	2009 <u>20</u> 10	0						Q
Flo-ida	2007 <u>20</u> <u>08</u>	89 <u>90</u>	43 <u>12</u>	<u> 27</u>	_		40 <u>13</u>	<del>90<u>82</u></del>
	<del>2008<u>20</u> 02</del>	90 <u>82</u>	+2 <u>17</u>	7 <u>2</u>			13 <u>14</u>	<u>8283</u>
	2009 <u>20</u> 10	<u>8283</u>	17	<u>23</u>			44 <u>9</u>	83 <u>78</u>
Gecrgia	2007 <u>20</u> 08	59	<u>68</u>	<u>3</u>			6 <u>9</u>	\$9 <u>55</u>
	2008 <u>20</u> 02	<del>5</del> 9 <u>55</u>	<u>87</u>	<u>31</u>			9 <u>8</u>	<del>55</del> <u>53</u>
	2009 <u>20</u> 10	<del>5</del> \$ <u>53</u>	7 <u>5</u>	1			<u>84</u>	53

State	Year	Outlets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Ha⇒aii	2007 <u>20</u> 08	6 <u>10</u>	<u>52</u>	<u>1</u>		Ì	1	40 <u>11</u>
	2 <u>00820</u> <u>09</u>	40 <u>11</u>	<u>21</u>	1			<u>1</u>	11
	2009 <u>20</u> 10	11	4 <u>2</u>				+ <u>3</u>	++ <u>10</u>
Idano	<u>200720</u> <u>08</u>	<del>10<u>11</u></del>	6				<u> 53</u>	++ <u>8</u>
	<u>200820</u> <u>09</u>	11 <u>8</u>	<u>1</u>				<del>5</del>	<u>89</u>
	<u>200920</u> 10	<u>89</u>	1				<u>2</u>	<u>97</u>
Illinois	2 <u>00720</u> <u>08</u>	<u>8280</u>	<u>5∐</u>	1	+		<u>59</u>	<del>80<u>82</u></del>
	<u>200820</u> <u>09</u>	<del>8</del> 0 <u>82</u>	++ <u>12</u>	<u>1</u>			<del>9</del> <u>7</u>	<del>82<u>86</u></del>
	2009 <u>20</u> 10	<del>82<u>86</u></del>	1 <b>2</b> <u>9</u>	1			7 <u>12</u>	<del>86</del> <u>82</u>
Indiana	2007 <u>20</u> 08	<del>36<u>38</u></del>	<u>67</u>	<u>1</u>			+ <u>7</u>	<del>38<u>37</u></del>
	2 <u>00820</u> <u>09</u>	<u>38<u>37</u></u>	7 <u>3</u>	1			7 <u>1</u> 	<del>37</del> <u>38</u>
	2009 <u>20</u> 10	<u> 3738</u>	3 <u>8</u>	1	_		∔ <u>6</u>	38 <u>39</u>
low a	<u>200720</u> <u>08</u>	+7 <u>16</u>	2				<u>31</u>	+6 <u>17</u>
	20 <u>0820</u> 09	46 <u>17</u>	2 <u>4</u>				4 <u>2</u>	47 <u>19</u>
	2009 <u>20</u> 10	<del>17<u>19</u></del>	<u> 45</u>				2 <u>4</u>	<del>19</del> <u>20</u>
Kausas	2007 <u>20</u> 08	45 <u>14</u>	2		<u>1</u>		+ <u>3</u>	++ <u>12</u>
	2008 <u>20</u> 02	+4 <u>12</u>	<u>25</u>	<u>2</u>	1		3	<del>12<u>15</u></del>
	2009 <u>20</u> 10	<del>12<u>15</u></del>	\$ <u>3</u>	<u>2]</u>			1	+ <u>516</u>

State	Year	Outlets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Kentucky	2007 <u>20</u> <u>98</u>	<del>22<u>21</u></del>	<u>51</u>	3	<u>1</u>		<u>l</u>	<del>2</del> 1 <u>23</u>
	2008 <u>20</u> 09	<del>2</del> + <u>23</u>	+ <u>3</u>	1	+		1	<del>23</del> <u>24</u>
	2009 <u>20</u> 10	<u>2324</u>	<u>31</u>	1			4 <u>5</u>	2+ <u>19</u> —
Louisiana	2007 <u>20</u> <u>08</u>	16 <u>14</u>	4 <u>2</u>			<u> </u>	6 <u>2</u>	14
	2008 <u>20</u> 09	14	<u>23</u>	<u>1</u>			<u>21</u>	++ <u>15</u>
	2009 <u>20</u> 10	++ <u>15</u>	3 <u>1</u>	1			1 <u>4</u>	+ <u>511</u>
Ma ne	2007 <u>20</u> 08	3						3
	2 <u>00820</u> <u>09</u>	3		_			<u>1</u>	3 <u>2</u>
	2 <u>00920</u> 10	<u>32</u>	<u>2</u>				+	2 <u>4</u>
Ma⁻yland	2007 <u>20</u> <u>08</u>	3 <u>5</u>	<u> </u>	1	4		3 <u>4</u>	<del>35<u>31</u></del>
	2008 <u>20</u> 09	<del>35<u>31</u></del>	+	4 <u>2</u>	<u>1</u>		4 <u>2</u>	<del>31</del> 2 <u>6</u>
	2009 <u>20</u> 10	31 <u>26</u> 	<u>3</u>	<u>23</u>	+		2	<del>26</del> <u>24</u>
Massachu- setts	2007 <u>20</u> 08	<del>17</del> <u>12</u>		2	<u>1</u>		<u>31</u>	12 <u>10</u>
	2008 <u>20</u> 09	+2 <u>10</u>	2		4		1	<del>10</del> 11
	2 <u>0</u> 09 <u>20</u> 10	40 <u>11</u>	2 <u>6</u>				1	++ <u>16</u>
Michigan	2 <u>00720</u> 08	45 <u>52</u>	<u>118</u>	2			<u>48</u>	<del>52</del> <u>50</u>
	2008 <u>20</u> 09	<u>5250</u>	<u>813</u>	<u>23</u>			<u>\$5</u>	<del>50</del> <u>55</u>
	2009 <u>20</u> 10	59 <u>55</u>	13 <u>5</u>	<del>3</del> 2	<u>1</u>		5	<del>55</del> <u>52</u>

State	Year	Outlets at Start of Year	Oudets Opened	Termi- nations	Non- Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Minnesota	2007 <u>20</u> <u>08</u>	30 <u>26</u>	4 <u>6</u>	2 <u>1</u>			<u>64</u>	<del>26<u>27</u></del>
	2 <u>00820</u> <u>09</u>	<u> 2627</u>	6 <u>7</u>	1			4 <u>3</u>	<u> 27<u>30</u></u>
	<del>2</del> 009 <u>20</u> <u>10</u>	27 <u>30</u>	<del>7</del> 4	+		·	3 <u>4</u>	30
Mississippi	2 <u>00720</u> <u>08</u>	+1 <u>12</u>	<u>23</u>	<u>1</u>	<u>1</u>		1	12
	<del>2</del> 0 <u>0820</u> <u>09</u>	12	<del>3</del> 4	+	1		1	+2 <u>15</u>
	<u> 200920</u> <u>10</u>	<del>12<u>15</u></del>	1				4	15
Missouri	2 <u>00</u> 7 <u>20</u> <u>08</u>	<u> 2927</u>	3	2 <u>1</u>	1	ļ	2 <u>3</u>	<del>27<u>25</u></del>
	2008 <u>20</u> 09	<b>2</b> 7 <u><b>2</b>5</u>	3	1	+		<u>32</u>	25 <u>24</u>
	2009 <u>20</u> 10	<u>2524</u>	<del>3</del> <u>4</u>	1	1		2 <u>3</u>	21 <u>25</u>
Moatana	2007 <u>20</u> <u>08</u>	<u>54</u>			_		+	4
	2008 <u>20</u> 09	4	<u>1</u>				<u>1</u>	4
	<del>2</del> 009 <u>20</u> <u>10</u>	4	1				1	4
Nebraska	2 <u>00720</u> <u>08</u>	<u>45</u>	1 <u>2</u>				<u>1</u>	<u>₹6</u>
	<del>2</del> 008 <u>20</u> 09	<u>56</u>	<u>₽3</u>				1	69
	2009 <u>20</u> 10	6 <u>2</u>	3				1	<u>98</u>
Ne-ada	2007 <u>20</u> 08	<del>13</del> <u>12</u>	<u>1</u>	1			<u>3</u>	<del>12<u>10</u></del>
	2008 <u>20</u> 09	+2 <u>10</u>	1				3	19
	2009 <u>20</u> 10	10	<u>3</u>				2	40 <u>11</u>

State	Year	Outlets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
New Hampshire	2007 <u>20</u> <u>08</u>	<u>97</u>			! 		2	7 <u>5</u>
	2008 <u>20</u> 02	<u>75</u>	<u>.                                    </u>				2	5
	2009 <u>20</u> 10	5	1					<u>\$6</u>
Ney Jersey	2007 <u>20</u> 08	45 <u>41</u>	<u>27</u>	4 <u>2</u>	2		<u>39</u>	44 <u>37</u>
	2008 <u>20</u> 0 <u>9</u>	44 <u>37</u>	<u>73</u>	2	···		<u>94</u>	<del>37<u>34</u></del>
	2009 <u>20</u> <u>10</u>	<del>37<u>34</u></del>	<u>34</u>	2 <u>1</u>			4 <u>3</u>	34
Ne∀ Me dco	2007 <u>20</u> <u>08</u>	44 <u>17</u>	4 <u>5</u>				4 <u>7</u>	+7 <u>15</u>
	2008 <u>20</u> 02	+7 <u>15</u>	<u>53</u>		<u> </u>		7 <u>2</u>	45 <u>16</u>
	2009 <u>20</u> 10	15 <u>16</u>	<u>31</u>	<u>1</u>			<u>23</u>	<del>16<u>13</u></del>
Ne <b>∵</b> York	2007 <u>20</u> <u>08</u>	<del>63</del> <u>60</u>	<del>7</del> <u>1</u>	4 <u>2</u>			9 <u>3</u>	<del>60<u>56</u></del>
	2008 <u>2G</u> <u>09</u>	<del>60<u>56</u></del>	4 <u>6</u>	<u>23</u>			<u>38</u>	56 <u>51</u>
	2009 <u>20</u> 10	56 <u>51</u>	6 <u>10</u>	3		·	<u>810</u>	<u>51<u>48</u></u>
No-th Ca-olina	2007 <u>20</u> 08	54	<u>86</u>	3 <u>2</u>			5 <u>7</u>	54 <u>51</u>
	2008 <u>20</u> 02	54 <u>51</u>	6	2 <u>1</u>			<del>7</del> <u>4</u>	<u>51<u>52</u> ——</u>
	2009 <u>20</u> 10	54 <u>52</u>	6 <u>12</u>	4			4 <u>6</u>	52 <u>58</u>
No-th Daliota	20 <del>07</del> 20 08	2			·			2
	2008 <u>20</u> 0 <u>9</u>	2	<u>l</u>					<u>23</u>
	2 <u>00920</u> 10	<u>23</u>	1					<del>3</del> <u>4</u>
Oh o	2007 <u>20</u> 08	50 <u>47</u>	4 <u>7</u>	2			<u>53</u>	47 <u>51</u>
	2008 <u>20</u> 02	47 <u>51</u>	7 <u>5</u>	<u>1</u>			3 <u>4</u>	51

State	Year	Oudets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Oudets at End of the Year
	2 <u>00920</u> 10	<u>5</u> 1	<u>53</u>	14			<u> 13</u>	<del>51<u>47</u></del>
Ok ahoma	2 <u>00</u> 7 <u>20</u> <u>08</u>	<del>14<u>17</u></del>	Ş	<u>1</u>			2 <u>1</u>	17 <u>15</u>
	<del>20</del> 08 <u>20</u> 0 <u>9</u>	47 <u>15</u>	<u>3</u>	1 <u>2</u>			4 <u>2</u>	15 <u>14</u>
	<del>2</del> 009 <u>20</u> <u>10</u>	15 <u>14</u>	3	2			2	++ <u>15</u>
Oregon	20 <u>0</u> 7 <u>20</u> <u>08</u>	<del>13</del> <u>11</u>	<u>24</u>				4	11
	2 <u>00</u> 8 <u>20</u> <u>09</u>	11	4 <u>3</u>				<u>+1</u>	++ <u>13</u>
	<del>2009<u>20</u> <u>10</u></del>	++ <u>13</u>	<u>3]</u>	1			4 <u>3</u>	+3 <u>10</u>
Per nsyl- varia	2 <u>00</u> 7 <u>20</u> <u>08</u>	17 <u>44</u>	<u> 53</u>	2 <u>1</u>			<u>64</u>	1 <u>4<b>42</b></u>
	2 <u>00</u> 8 <u>20</u> 0 <u>9</u>	4142	<u>34</u>	1		··	<u> 13</u>	42
	<u> 200920</u> <u>10</u>	+2	<u>18</u>	! + <u>2</u>			3	<del>12</del> <u>45</u>
Puerto Rico	2 <u>0</u> 07 <u>20</u> <u>08</u>	++ <u>10</u>	1	1			1	10
	2 <u>0</u> 08 <u>20</u> <u>09</u>	10	1 <u>2</u>		<u>1</u>		1	+0 <u>11</u>
	2009 <u>20</u> 10	<del>10<u>11</u></del>	2		1			11
Rh∍de Island	2 <u>00720</u> <u>08</u>	2						2
	2 <u>00</u> 8 <u>20</u> <u>09</u>	2					<u>1</u>	2 <u>1</u>
	2 <u>00</u> 9 <u>20</u> <u>10</u>	<u>21</u>					1	1
South Ca-olina	2 <u>00</u> 7 <u>20</u> <u>0</u> 8	1 <u>415</u>	2	1			1	<del>15<u>16</u></del>
	2008 <u>20</u> 09	+5 <u>16</u>	2	12			4	<del>16</del> <u>12</u>
	2 <u>0</u> 09 <u>20</u> 10	+6 <u>12</u>	<u>24</u>	2	<u>1</u>		4 <u>1</u>	<del>12<u>14</u></del>
South Dagota	2 <u>00</u> 7 <u>20</u> <u>08</u>	<u>34</u>	2	1				4 <u>6</u>

State	Year	Outlets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Oudets at End of the Year
	2008 <u>20</u> 02	<u>‡6</u>	2		·			<u>6</u>
	<del>2009<u>2n</u> <u>10</u></del>	<u>6</u>	1					<u>67</u>
Ter nessee	2 <u>00720</u> <u>08</u>	<del>27<u><b>2</b>6</u></del>	4 <u>6</u>	1			<u>42</u>	<del>26<u><b>29</b></u></del>
	2 <u>00820</u> <u>02</u>	<u> 2629</u>	6 <u>7</u>	1 <u>2</u>			<u>24</u>	29 <u>30</u>
	<u> 200920</u> <u>10</u>	<u> 2930</u>	7 <u>6</u>	2			4 <u>3</u>	<u> 30<u>31</u></u>
Teras	2007 <u>20</u> <u>08</u>	<del>12</del> 1 <u>129</u>	<u>2225</u>	<u>21</u>	<del></del>		15	+ <b>2</b> 9 <u>138</u>
	2008 <u>21i</u> 09	<del>129<u>138</u></del>	<b>2</b> 5 <u>23</u>	4			15	438 <u>146</u>
	2009 <u>20</u> <u>10</u>	438 <u>146</u>	<del>23</del> <u>17</u>	<u>5</u>			45 <u>18</u>	4 <u>4614<b>0</b></u>
Utah	2 <u>00720</u> <u>08</u>	13	3				<u>\$1</u>	+3 <u>15</u>
	2 <u>00820</u> <u>02</u>	13 <u>15</u>	<u>31</u>				1 <u>2</u>	15 <u>14</u>
	2 <u>00920</u> <u>10</u>	45 <u>14</u>	1		i		2 <u>1</u>	14 <u>13</u>
Vermont	2 <u>00</u> 7 <u>20</u> <u>08</u>	<u> 42</u>					2	2
	2008 <u>20</u> 02	2						2
	20 <u>0920</u> <u>10</u>	2	<u>1</u>	:				<u>23</u>
Virginia	2 <u>00720</u> <u>08</u>	38 <u>35</u>	4 <u>5</u>	<u>21</u>			5	<del>35</del> <u>34</u>
	200820 02	<del>35</del> <u>34</u>	<u> <del>5</del>2</u>	4			\$ <u>3</u>	<u>3133</u>
	2009 <u>20</u> 10	31 <u>33</u>	<u>25</u>	<u>±</u>			<u>31</u>	33
Washing- ton	2007 <u>20</u> 08	31 <u>33</u>	\$ <u>11</u>				<u>39</u>	<u> 33<u>35</u></u>
	2 <u>00820</u> <u>02</u>	<del>33</del> <u>35</u>	11 <u>3</u>	1			9 <u>6</u>	<del>35<u>31</u></del>
	<del>200920</del> 16	<u>3</u> ≨ <u>31</u>	<del>3</del> <u>4</u>	1			<u>6</u>	31 <u>28</u>

State	Year	Outlets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
West Virginia	2 <u>00</u> 7 <u>20</u> <u>08</u>	<u>61</u>		4			4	1
	2 <u>00</u> 8 <u>20</u> <u>09</u>	1	<u>1</u>	! <del></del>				12
	2 <u>00920</u> 10	4 <u>2</u>	4					2
Wi. consin	2 <u>00</u> 7 <u>20</u> <u>08</u>	45 <u>44</u> ———	7	<u>1</u>	<u>5</u>	į	<u>67</u>	41 <u>43</u>
	2 <u>0</u> 08 <u>20</u> <u>09</u>	41 <u>43</u>	<u>76</u>	4		1	7 <u>2</u>	4 <u>347</u>
	2 <u>00920</u> 10	<u> 4347</u>	<u>67</u>	<u>2</u>			2 <u>10</u>	47 <u>42</u>
gnimcyW	2 <u>00</u> 7 <u>20</u> <u>0</u> 8	4 <u>6</u>	2	<u>1</u>		L		6 <u>5</u>
	2008 <u>20</u> 09	6 <u>5</u>	<u>4</u>	4		-		<u> 59</u>
	2009 <u>20</u> 10	<u>59</u>	4	<u>2</u>			<u>1</u>	<u>96</u>
Totals	2 <u>00</u> 7 <u>20</u> <u>0</u> 8	1490 <u>1479</u>	<del>219</del> <u>213</u>	<u>3542</u>	8 <u>7</u>	0	487 <u>200</u>	14 <del>79</del> <u>1443</u>
	2008 <u>20</u> 09	1479 <u>1443</u>	<del>213</del> <u>215</u>	<u> 4241</u>	73	0	<del>2</del> 00 <u>152</u>	1443 <u>1462</u>
	2009 <u>20</u> 10	1443 <u>146<b>2</b></u>	215 <u>188</u>	41 <u>51</u>	<u>32</u>	0	452 <u>179</u>	1462 <u>1418</u>

## Notes:

(1) All numbers are as of the fiscal year end. Each fiscal year ends on December 31.

Table 4
Status of Company-Owned Outlets
For years 2007-to 2008, 2009 and 2010

State (Note 1)	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Massachusetts	<del>2</del> 007 <u>2008</u>	0	0	0	0	0	0 _
(Note-2)	<del>2</del> 008 <u>2009</u>	0	0	0	0	0	0
	<del>2</del> 009 <u>2010</u>	0	06	0	0 <u>1</u>	0	0 <u>5</u>
Totals	20072008	00	0	0	0	0	0
	<del>2</del> 0 <del>0</del> 82009	0	0	0	0	0	0
	2009 <u>2010</u>	0	0 <u>6</u>	0	0 <u>1</u>	0	θ <u>5</u>

#### Notes:

- (1) States not listed did not have any activities, outlets or distributorships.
- (2) As of March 15, 2010, there are 6-company owned outlets (which are distributorship routes operated by Matco employees) in Massachusetts. There were none, in any state, in 2007, 2008 and 2009.

Table 5
Projected Openings As Of December 31, 2009 for 2011 (Note 1)

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franehised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In The Next Year
Alabama		3	
Alaska		2	
Arizona		<u> 14<u>10</u></u>	
Arkansas		3	
California		<u> 1413</u>	
Connecticut		<u>5</u>	
Colorado	•	6	
Delaware		2	
District of Columbia		2	
Florida		9	
Georgia		7	
Hawaii		2	
Idaho		2	
Illinois		8	,
Indiana		5	
Iowa		3	
Kansas		4	
Kentucky		4	
Louisiana		5	
Maine		2	
Maryland		5	
Massachusetts		5	6 <u>1</u>
Michigan		6	

State	Franchise Agreements Signed But Oudet Not Opened	Projected New Franehised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In The Next Year
Minnesota		6	
Mississippi		5	
Missouri		5	
Montana		3	•••
Nebraska		3	
Nevada		3	
New Hampshire		3	
New Jersey		8	
New Mexico		4	"
New York		6	
North Carolina		5	
North Dakota		2	
Ohio		5	
Oklahoma		5	· · · · · · · · · · · · · · · · · · ·
Oregon		5	
Pennsylvania		6	
Puerto Rico		2	
Rhode Island		2	<u> </u>
South Carolina		4	
South Dakota		2	
Tennessee		5	
Texas		14	· · · · · ·
Utah		3	
Vermont		2	
Virginia		5	
Washington	i	6	
West Virginia		2	
Wisconsin		5	
Wyoming	<u> </u>	θ	
Total	ί θ	<del>240</del> 2 <u>38</u>	61

#### Notes:

#### (1) For the fiscal year beginning January 1, $\frac{20102011}{2011}$ .

Attached as Appendix B is a list of the addresses and telephone numbers of our Active Distributors. Attached as Appendix C is a list containing the name, city and state, and current business telephone number or last known home telephone number of every distributor whose Mateo Distributorship has, within the one-year period immediately preceding December 31, 20092010, been terminated, canceled, not renewed, or who has, during the same period, otherwise voluntarily or involuntarily ceased to do business as a Mateo distributor, or who has not communicated with Mateo during the ten-week period preceding the date of this Disclosure Document. (Mateo's record of "no communication" indicates distributors for whom there have been no purchases from Mateo during the six-week period ended December 31, 20092010.) If you buy a Mateo Distributorship, your contact information may be disclosed to other buyers when you leave the franchise system.

No distributors have signed a confidentiality clause in a distributor agreement, setdement or other contract within the last three years that would restrict their ability to speak openly about their experience with Mateo Tools.

As of the date of this disclosure document, there are no Mateo Distributor associations in existence regardless of whether or not they use our trademark.

As noted in Item I above, Mateo currently has a policy under which it will give one or more Mateo tool-boxes free to an existing distributor or Danaher employee for referring a prospect who becomes a Mateo distributor. Beginning April I, 2011, Matco will enhance this policy by offcring a choice between \$7,000 in free tools or a tool box for the first referral, instead of only one tool box under the current policy. Matco may increase the value of this referral bonus for multiple referrals who become Matco distributors in a 12-month period.

### (21) FINANCIAL STATEMENTS

Attached as Appendix A are:

T-1010 A

Appendix J:

The audited financial statements of Mateo for the periods ended December 31, 20092010, December 31, 20082009, and December 31, 20072008 which includes the balance sheets for the periods ended December 31, 20092010 and December 31, 20082009 and the related statements of earnings, stockholder's equity and cash flows for each of the three years ended December 31, 2010, 2009, 2008, and 20072008.

#### (22) CONTRACTS

Attached to this Disclosure Document as Appendix D is the Mateo Tools Distributorship Agreement, with the following exhibits attached thereto:

T' - CO 11 - 1 D - - - 1 O - - - - T' -

	Exhibit A	List of Calls and Potential Customer List
	Exhibit B	[Reserved]
	Exhibit C	Installment Promissory Note
	Exhibit D	Security Agreement
	Exhibit E	Distributor's Purchase-Security Agreement Credit Assignment Agreement
	Exhibit F	Addendum and Guaranty to Distributor's Purchase-Security Agreement
		Credit Assignment Agreement
	Exhibit G	Purchase Money Security Agreement
	Exhibit H	Purchase Money Security – Master Agreement
	Exhibit I	End User's Credit Application Subject to Mateo Tools/P.S.A. Credit
		Approval
	Exhibit J	Distributor's Purchase Security Agreement Recourse Credit Assignment
		Agreement
	Exhibit K-1	Purchase Money Security Agreement – New Tech Recourse
	Exhibit K-2	Purchase Money Security Agreement - Gold Recourse
	Exhibit L	Distributor Lease Agreement
	Exhibit M	Shop Owner Lease Applicadon
	Exhibit N	Equipment Lease Agreement
	Exhibh O	Mateo Distributor Business System Software License, Maintenance and
		Support Agreement and Information Form
	Exhibit P	Guarantee, Indemnification, and Acknowledgment
	Exhibit Q	Mateo Tools Web Page Agreement
ttache	ed to this Disclosure Do	cument as are the following other contracts:

Appendix I-is-the-: Mateo Distributor Consent to Alcohol and Drug Testing form-

Mutual Release Agreement

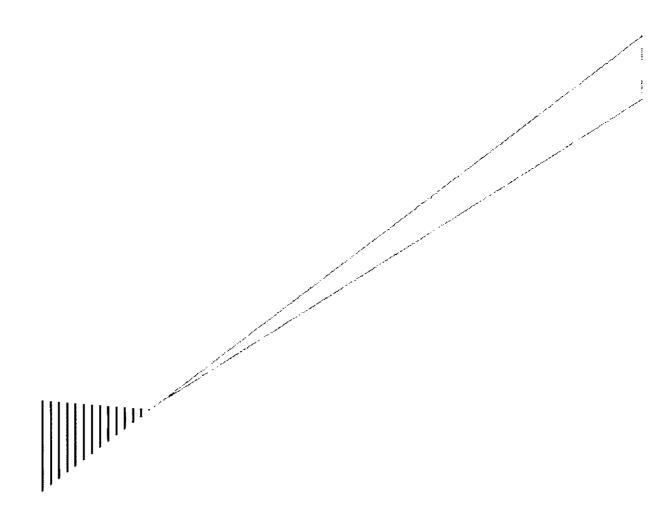
## (23) RECEIPTS

The last page of this Disclosure Document is a detachable acknowledgement of receipt.							

#### **MATCO TOOLS**

## FRANCHISE DISCLOSURE DOCUMENT

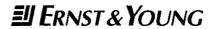
## **APPENDIX A: FINANCIAL STATEMENTS**



## CONSOLIDATED FINANCIAL STATEMENTS

NMTC, Inc. and Subsidiaries Years Ended December 31, 2010, 2009 and 2008 With Report of Independent Auditors

Ernst & Young LLP



## Consolidated Financial Statements

Years Ended December 31, 2010, 2009 and 2008

## Contents

Report of Independent Auditors	1
Consolidated Financial Statements	
Consolidated Balance Sheets	2
Consolidated Statements of Earnings	
Consolidated Statements of Stockholder's Equity	
Consolidated Statements of Cash Flows	
Notes to Consolidated Financial Statements.	



Ernst & Young LLP 621 East Pratt Street Baltimore, MD 21202

Tel: + 1 410 539 7040 Fax: + 1 410 783 3832 www.ey.com

## Report of Independent Auditors

To the Sole Stockholder of NMTC, Inc.

We have audited the accompanying consolidated balance sheets of NMTC, Inc. and subsidiaries (a Delaware corporation and a wholly owned subsidiary of Mateo Tools Corporation) as of December 31, 2010 and 2009, and the related consolidated statements of earnings, stockholder's equity and cash flows for each of the three years in the period ended December 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of NMTC, Inc. and subsidiaries at December 31, 2010 and 2009, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2010 in conformity with U.S. generally accepted accounting principles.

March 9, 2011

1

Ernst + Young LLP

# Consolidated Balance Sheets (In Thousands, Except Share Data)

	December 31			31
		2010		2009
Assets	\			
Cash	S	1,400	\$	592
Accounts receivable, less allowance for doubtful accounts of				
\$362 and \$307, respectively		23,709		19,606
Current portion of notes receivable, less allowance for credit				
losses of \$53 for both periods		3,493		3,382
Current portion of purchase security agreements receivable,				
less allowance for credit losses of \$976 and				
\$1,071, respectively		63,856		68,437
Inventories		12,723		8,644
Prepaid expenses and other current assets		1,063		2,512
Total current assets		106,244		103,173
Intercompany advances, net		278,199		234,467
Property, plant, and equipment, net		5,578		5,892
Investment in related party		501		1,560
Investment in Danaher Finance Company		77,500		77,500
Notes receivable, less allowance for credit losses		,		•
of \$445 and \$403, respectively		29,153		25,744
Purchase security agreements receivable, less allowance		,		•
for credit losses of \$1,094 and \$1,134, respectively		71,696		72,501
Total Assets	S	568,871	S	520,837
Liabilities and stockholder's equity				
Trade accounts payable	s	16,464	\$	14,887
Accrued expenses	3	7,802	Ψ	6,246
Deposits		4,146		3,998
Taxes payable		21,572		22,255
Current portion of deferred tax liability		3,333		465
Total current liabilities		53,317		47,851
Total current haddines		33,317		47,651
Long-term portion of deferred tax liability		1,138		1,535
Total liabilities		54,455		49,386
Common stock, \$0.01 par value; 1,000 shares authorized;				
100 shares issued and outstanding		_		_
Additional paid-in capital		33,936		33,316
Retained earnings		476,226		435,563
Accumulated other comprehensive income		294		178
Total NMTC, Inc. stockholder's equity		510,456		469,057
Non-controlling interest		3,960		2,394
Total stockholder's equity		514,416		471,451
Total liabilities and stockholder's equity	S	568,871	S	520,837

See accompanying notes.

# Consolidated Statements of Earnings (In Thousands)

	Year Ended Decemb					per 31		
		2010		2009	2008			
Net sales	\$	252,786	S	235,481	S	256,241		
Other revenues Total revenues		28,100 280,886		27,908 263,389		31,342 287,583		
Cost of sales Selling, general and administrative expenses		136,947 42,062		128,398 41,697		142,277 42,542		
Related party fees and expenses		35,605		43,579		37,031		
Total expenses		214,614		213,674		221,850		
Earnings before income taxes Income taxes		66,272 24,043		49,715 17, <b>06</b> 7		65,733 24,700		
Consolidated net earnings Less: Net earnings (loss) attributable to		42,229		32,648	_	41,033		
noncontrolling interest		1,566		890		(239)		
Net earnings of NMTC, Inc.		40,663	S	31,758	<u>s</u>	41,272		

See accompanying notes.

# Consolidated Statements of Stockholder's Equity (In Thousands)

	Commo		1	dditional Paid-in Capital		Retained La mings	Accumulated Other Comprehensive Income	Non-Controlling Interest	Total
Balance at December 31, 2007	S	_	\$	31,826	\$	362,533	<b>\$</b> 233	S 1,743	\$ 396,335
Net earnings		-		_		41,272	-	(239)	41.033
Decrease from translation of foreign financial statements		_		_		_	(247)	_	(247)
Capital contribution from Danaher Corporation									
related to share-based payments				721		_		_	721
Balance at December 31, 2008		_		32.547		403.805	(14)	1,504	437,842
Net earnings		_		_		31,758	_	890	32,648
Increase from translation of foreign financial statements		_		_		_	192	_	192
Capital contribution from Danaher Corporation									
related to share-based payments		_		769					769
Balance at December 31, 2009		_		33,316		435,563	178	2,394	471,451
Net earnings		_		_		40,663	-	1,566	42,229
Increase from translation of foreign financial statements		_		_		_	116	-	116
Capital contribution from Danaher Corporation									
related to share-based payments		_		620					620
Balance at December 31, 2010	\$	_	S	33,936	S	476,226	<u>\$</u> 294	S 3,960	S 514,416

See accompanying notes.

# Consolidated Statements of Cash Flows (In Thousands)

		Year	Ende	ed December 31		
		2010		2009		2008
Operating activities						
Net earnings	\$	42,229	S	32,648	S	41,033
Adjustments to reconcile net earnings to net cash						
provided by operating activities:						
Depreciation		693		797		77 <b>4</b>
Share-based compensation expense		620		769		721
Decrease in investment in related party		1,059		13		219
Deferred income taxes		2,471		(5,188)		1,053
(Increase) decrease in accounts receivable, net		(4,103)		1,306		921
Decrease (increase) in notes receivable, net		1,866		193		(985)
(Increase) decrease in inventories		(4,079)		2,908		263
Decrease (increase) in prepaid expenses and						
other current assets		1,449		(1,394)		166
Increase (decrease) in accounts payable		1,577		(777)		(411)
Increase (decrease) in accrned expenses		1,556		2,262		(3,731)
Increase (decrease) in deposits		148		578		(59)
Decrease in taxes payable		(683)		(1,392)		(553)
Net cash provided by operating activities		44,803		32,723		39,411
Investing activities						
Purchases of property, plant, and equipment		(388)		(605)		(685)
Proceeds from sale of property, plant, and equipment		` 9 <sup>'</sup>		_		_
Net cash used for investing activities		(379)		(605)		(685)
Financing activities						
Advances to Parent, net		(43,732)		(32,013)		(38,463)
Net cash used in financing activities		(43,732)		(32,013)		(38,463)
Effect of exchange rate changes on cash		116		192		(247)
Net increase in cash		808		297		16
Cash, beginning of year		592		295		279
Cash, end of year	S	1,400	S	592	S	295
Supplemental disclosures						
Cash state income tax payments, net of refunds	<u>\$</u>	462	S	797	S	898

See aeeompanying notes.

#### Notes to Consolidated Financial Statements

December 31, 2010

#### 1. Basis of Presentation

NMTC, Inc. d/b/a Mateo Tools (the Company) is a wholly owned subsidiary of Mateo Tools Corporation. Mateo Tools Corporation operates as an indirect wholly owned subsidiary of Danaher Corporation (Danaher). NMTC, Inc. is a national manufacturer and distributor of high quality professional mechanic tools.

During 2005, NMTC, Inc. organized wholly owned subsidiaries NMTC Holdings ULC and NMTC Partners Inc. as entities in Canada to operate Mateo Tools Canada, formerly NMTC Canada, to do business in Canada as a distributor of high quality professional mechanic tools.

On December 1, 2007, NMTC Holdings ULC, and its related ownership interest in Mateo Tools Canada, was merged into Joslyn NSULC, a wholly owned subsidiary of Joslyn Holding Company, which is a wholly owned indirect subsidiary of DH Holding Corporation. The investment in related party on the balance sheet relates to the merger and includes a note receivable from NMTC Holdings ULC and an investment in Joslyn NSULC. On December 1, 2009, Joslyn NSULC changed its name to AB Sciex ULC. The company name was changed again on June 30, 2010 to Argo Canada Holding ULC. The results of operations of Mateo Tools Canada are included in the financial statements of NMTC Inc., as NMTC Inc. is the general partner and maintains control of the daily operations of Mateo Tools Canada.

#### 2. Summary of Significant Accounting Policies

#### Revenue Recognition

In order for sales to qualify for revenue recognition, there must be persuasive evidence of a sale, delivery must have occurred, the price to the customer must be fixed and determinable, and collectibility of the balance must be reasonably assured. The Company's standard terms are FOB shipping point and, as such, the Company principally recognizes revenue for product sales upon shipment. Product returns and customer allowances are estimated based on historical experience. The Company provides financing to certain of its customers. The sale of the underlying financed product is recorded as noted above. The note receivable for the outstanding customer balance is classified as a current and non-current asset based on terms, which range up to 120 months.

#### Other Revenues

Other revenues consist primarily of earnings from financial services as the Company provides financing to certain of its customers. Interest bearing notes mature through 2020. Interest income is recorded as earned and interest rates on these receivables range between 4.90% and 22.5%.

## Notes to Consolidated Financial Statements (continued)

## 2. Summary of Significant Accounting Policies (continued)

Accounts Receivable, Notes Receivable and Allowance for Doubtful Accounts

The Company's receivables consist of the following:

- Accounts receivable There are transactions within this balance relate to trade receivables due from franchisees and commercial customers.
- Notes receivable This consists of notes receivable from franchisees to fund their initial investment.
- Purchase security agreements receivable This includes loans to the franchisees' customer network. Collateral for these receivables typically consists of the business assets of the customer.

All receivables are carried at face value less an estimated allowance for doubtful accounts and credit losses. Risk of loss for expected future uncollectible receivables is substantially covered under an insurance policy issued by Danaher Insurance Company. See Note 4 – Related-Party Transactions. The Company maintains an allowance for estimated losses not covered by its insurance policy resulting from the inability of the franchisee, customers and franchisee customers to make required payments. The allowance is established and periodically revised based upon known bad debt risks and estimates of potential uncollectable accounts and notes receivable based upon past loss history, payment practices and economic conditions. Estimating losses is inherently uncertain because the amount of such losses depends substantially on the financial condition of the Company's customers. If the financial condition of the Company's customers were to deteriorate beyond estimates, resulting in an impairment of their ability to make payments, the Company would be required to write off additional receivable balances, which would adversely impact the Company's net eamings and financial condition.

## Notes to Consolidated Financial Statements (continued)

## 2. Summary of Significant Accounting Policies (continued)

#### Inventories

Inventories are stated at the lower of cost or market value.

The inventory valuation methods used by the Company are as follows (in thousands):

	December 31				
		2010	2009		
Last-in, first-out (LIFO) method First-in, first-out (FIFO) method	\$	8,518 4,205	\$	5,147 3,497	
	\$	12,723	\$	8,644	

If the FIFO method had been used for inventories valued at LIFO cost, such inventories would have been \$1.1million and \$1.5 million higher at December 31, 2010 and 2009, respectively.

The major classes of inventory are summarized as follows (in thousands):

	December 31			
	<del></del>	2010		2009
Finished goods	\$	12,189	S	8,232
Work in process		38		<b>2</b> 8
Raw materials		496		384
	\$	12,723	S	8,644

#### Intercompany Advances, net

Intercompany Advances is the net non-interest bearing balance of all prior and current year transfers between NMTC, Inc. and Danaher and its affiliates. See Note 4 – Related-Party Transactions for a discussion of these transactions.

## Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

### Property, Plant, and Equipment

Property, plant, and equipment are carried at cost. The provision for depreciation has been computed by the straight-line half year method based on the following estimated useful lives:

Building and improvements	15-40 years
Machinery, equipment and software costs	3-10 years

The major classes of property, plant, and equipment are summarized as follows (in thousands):

	December 31				
	2010		2009		
Land and improvements	\$	851	s	<b>8</b> 60	
Buildings		7,060		7,060	
Machinery, equipment and software costs		18,182		1 <b>7</b> ,9 <b>2</b> 6	
		26,093		25,846	
Less accumulated depreciation		(20,515)		(19,954)	
Property, plant and equipment, net	S	5,578	S	5,892	

The costs of significant improvements are capitalized. Cost of normal repairs and maintenance are charged to expense as incurred.

The carrying value of the Company's assets are reviewed when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If it is determined that an impairment loss has occurred based on current and future levels of income and expected future cash flows as well as other factors, an impairment loss would be recognized in the Consolidated Statement of Eamings. The Company believes no such impairments existed at December 31, 2010 or December 31, 2009.

#### Product Warranty

Risk of loss for expected future product warranty expense is substantially covered under an insurance policy issued by Danaher Insurance Company. See Note 4 – Related-Party Transactions.

## Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

### Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company bases these estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

#### Fair Value of Financial Instruments

The Company's financial instruments consist primarily of cash, accounts receivable, notes receivable, and purchase security agreements. The Company believes that the carrying value of the cash and accounts receivable approximate their fair value at December 31, 2010. The fair value of the notes receivable and purchase security agreements were \$31.1 million and \$141.1 million, respectively, as of December 31, 2010.

#### Shipping and Handling

Amounts billed to customers for shipping and handling costs are included as a component of sales. Cost incurred by the Company for shipping and handling are included as a component of cost of sales. In 2010, 2009 and 2008, the Company incurred shipping and handling charges of \$9.7 million, \$9.3 million, and \$11.5 million, respectively, that were recorded in "Cost of sales" on the accompanying Consolidated Statements of Eamings.

#### Income Taxes

Income taxes are accounted for using the liability method. This method recognizes the taxes payable or refundable, for the current year, and the recording of deferred tax assets and liabilities for future tax consequences that have been recognized in the Company's financial statements. The measurement of current and deferred tax assets and liabilities is based on provisions of the enacted tax law. The effects of future changes in tax laws or rates are not anticipated. The measurement of deferred tax assets is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realized.

## Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

### Subsequent Events

The Company has evaluated subsequent events through March 9, 2011 for recording and disclosures in these financial statements.

#### 3. Leases and Commitments

The Company's operating leases, which consist of equipment and buildings, extend for varying periods of time up to five years and, in some cases, include renewal options. Future minimum rental payments for all operating leases having initial or remaining non-cancelable lease terms in excess of one year are as follows (in thousands):

2011	S	664
2012		647
2013		488
2014 and thereafter		331

Total rent expense for all operating leases was \$0.7 million, \$0.6 million and \$0.8 million for the years ended December 31, 2010, 2009 and 2008, respectively.

#### 4. Related-Party Transactions

Related party fees and expenses are summarized as follows (in thousands):

	December 31					
	_	2010		2009		2008
DBS and Management Fees, net	S	993	\$	2,481	S	743
Warranty Insurance Expense		1 <b>5,49</b> 7		22,811		16,509
Credit Insurance Expense		15,355		15,125		18,024
Accident and Health Insurance Expense		2,6 <b>5</b> 4		3,162		1,75 <b>5</b>
Write-off of Related Party Note		1,106				_
Total related party fees and expenses	<u>s</u>	35,605	\$	43,579	S	37,031

The Company maintains an investment representing a 2.54% ownership interest in Danaher Finance Company (DEC), another wholly owned subsidiary of Danaher.

## Notes to Consolidated Financial Statements (continued)

### 4. Related-Party Transactions (continued)

The Company is a member of a cooperative (The Allen Manufacturing Company) administered by Danaher, which provides consulting and procurement services to the Company (DBS fees). The Company expenses costs incurred from the cooperative as incurred and records patronage dividends from the cooperative when they are declared. Total cooperative expenses were \$5.7 million, \$7.1 million, and \$7.5 million for the years ended December 31, 2010, 2009, and 2008 respectively. Total patronage dividends recognized were \$7.0 million, \$7.7 million, and \$8.5 million for the years ended December 31, 2010, 2009, and 2008 respectively.

The Company has purchased insurance policies from Danaher Insurance Company to cover its warranty, credit and accident and health risk. The Company purchased a policy, effective December 31, 1999, which covered the warranty on all products sold prior to January 1, 2000. The Company has purchased additional policies each year and, therefore, has insured all products sold through December 31, 2010. These policies include limitations on aggregate claims, but these limitations do not exceed management's estimates of expected claims.

The Company purchased a policy, effective December 31, 2002, which covered its credit risk as of December 31, 2002. The Company has purchased additional policies each year and, therefore, has insured all credit risk incurred through December 31, 2010. Credit risk consists of all trade and notes receivable including purchase security agreement receivables. These policies insure 95% of the Company's losses and include limitations on aggregate claims. The Company provides reserves for its estimate of its self-insured risk and believes that management's estimate of the portfolio exposure does not exceed any limitations on its purchased coverage from Danaher.

The Company purchased a policy, effective December 31, 2002, which covered its accident and health risk as of December 31, 2002. The Company has purchased additional policies each year and, therefore, has insured all accident and health risk incurred through December 31, 2010. Accident and health risk consists of all medical costs for the covered employee population. These policies include limitations on aggregate claims. The Company provides reserves for its estimate of its self-insured risk and limitations do not exceed management's estimates of exposure for its medical costs.

## Notes to Consolidated Financial Statements (continued)

### 4. Related-Party Transactions (continued)

Aggregate expense related to credit risk is as follows (in thousands):

	December 31					
		2010		2009	2008	
Bad debt expense:						
Selling, general and administrative						
expense	\$	1,106	S	1,081	\$	1,433
Related party fees and expense		15,355		15,125		18,024
Total bad debt expense	\$	16,461	S	16,206	\$	19,457

As needed, funds may be provided by Danaher for working capital requirements. The Company also receives centralized services from Danaher and its affiliates for general management, treasury, benefits, insurances and other matters.

As part of the Danaher cash management program, the Company deposits all excess domestic cash with Danaher and satisfies working capital needs through transfers from Danaher.

The Company sells to and purchases from other Danaher affiliate companies based on transfer pricing criteria established by Danaher. Affiliate sales were \$0.2 million, \$0.4 million and \$0.4 million; and intercompany purchases were \$5.7 million, \$8.3 million and \$11.9 million for the years ended December 31, 2010, 2009 and 2008, respectively.

#### 5. Retirement Plans

Danaher has a non-contributory defined benefit pension plan, which covers certain employees and retirees of the Company. Benefit accmals under this plan have ceased for the Company's participants and, therefore, there is no service cost recognized for the Company's participants in this plan for the years ended December 31, 2010, 2009 and 2008. The accrued liability related to these benefits is maintained by Danaher.

The Company participates in a 401(k) retirement savings plan sponsored and administered by Danaher. This plan provides for employer contributions based on a percentage of employee compensation. Total employer contributions to this plan related to the Company's participants amounted to \$1.5 million, \$1.4 million and \$1.4 million for the years ended December 31, 2010, 2009 and 2008, respectively.

## Notes to Consolidated Financial Statements (continued)

#### 6. Post Retirement Medical Benefits

The Company provides post retirement medical benefits to ten retirees and their dependents. The benefits have been discontinued for all active employees. Service cost is charged to the Company by Danaher and was \$17,000, \$22,000 and \$22,000 for the years ended December 31, 2010, 2009 and 2008, respectively. The accrued liability related to the benefits is maintained by Danaher.

#### 7. Share-Based Compensation

The Company accounts for share-based compensation by measuring the cost of employee services received in exchange for all equity awards granted, including stock options and restricted stock units, based on the fair value of the award as of the grant date. Share-based compensation for the years ended December 31, 2010, 2009 and 2008 was calculated by Danaher at the consolidated level. Danaher estimated the fair value of the share-based payment awards granted using the Black-Scholes Merton option pricing model (Black-Scholes). The following summarizes the assumptions used in the Black-Scholes models:

	Years Ended December 31				
	2010	2009	2008		
Risk-free interest rate	2.17 – 2.75%	2.08 - 2.97%	3.62%		
Weighted average volatility	28%	31%	27%		
Dividend yield	0.2%	0.2%	0.2%		
Expected years until exercise	6	6	6		

The Company has recorded share-based compensation expense of \$0.6 million, \$0.8 million and \$0.7 million, as well as a deemed capital contribution from Danaher in the same amount related to these share-based payments for the years ended December 31, 2010, 2009 and 2008, respectively.

## Notes to Consolidated Financial Statements (continued)

#### 8. Income Taxes

The provision for income taxes consisted of the following (in thousands):

		Year Ended December 31				
		2010		2009	2008	
Current Deferred	S	21,572 2,471	\$	22,255 S (5,188)	23,647 1,053	
Income tax provision	<u>\$</u>	24,043	\$	17,067 S	24,700	

The Company has entered into an agreement with Danaher whereby the Company transfers funds to Danaher sufficient to cover the Company's U.S. federal financial reporting income tax expense.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of net assets and liabilities for financial reporting purposes and the amounts for income tax purposes.

The components of deferred tax assets and liabilities were as follows at December 31 (in thousands):

	<b>20</b> 10	2009
Deferred tax assets:		· ·
Bad debt expense	\$ 1,059	S 1, <b>092</b>
Inventory reserves	912	<b>94</b> 6
Other	1,792	1,6 <b>29</b>
Total deferred tax assets	3,763	3,667
Deferred tax liabilities:		
Net property plant and equipment	(1,138)	(1,535)
Patronage dividend receivable	(2,545)	_
Insurance claims receivable	(4,551)	(4,132)
Total deferred tax liabilities	(8,234)	(5,667)
Net deferred tax liabilities	\$ (4,471)	\$ (2,000)

## Notes to Consolidated Financial Statements (continued)

## 9. Contingencies

In the normal course of business, the Company is involved with various lawsuits and claims. Although it is not possible to predict the outcome of currently pending proceedings, it is management's opinion that the costs, losses and settlements of these proceedings are not expected to have a material adverse effect on the Company's financial condition.

#### Ernst & Young LLP

#### Assurance | Tax | Transactions | Advisory

#### About Ernst & Young

Ernst & Young is a global leader in assurance.
tax. transaction and advisory services.
Worldwide, our 141,000 people are united by
our shared values and an unwavering commitment to
quality. We make a difference by helping our people, our
clients and our wider communities achieve their potential.

For more information, please visit www.cy.com

Ernst & Young refers to the global organization of member firms of Ernst & Young Global Limited. each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. This Report has been prepared by Ernst & Young LLP, a client serving member firm located in the United States.

### **MATCO TOOLS**

## FRANCHISE DISCLOSURE DOCUMENT

## **APPENDIX B: ACTIVE DISTRIBUTORS**

Page - . . . 1 Date - . 1/01/2011

Run Date :12/30/10

State	Date :12/30/10  Distributor Name	Address	City	Zip Code	Area Code	Phone Number
AK AK AK AK AK	WEGNER, JACOB R *RAY WEGN MURRILL, DONEL *KELLY* STEPHENS, JUDY RASEY, KRIS K BEARD, RON State Count: 5	2282 LARISSA DR PO BOX 72594 12450 ELMORE RD PO BOX 670430 2200 W 70TH AVENUE	FAIRBANKS FAIRBANKS ANCHORAGE CHUGIAK ANCHORAGE	99712 99712 99516 99567 99502	907 907 907 907 907	460-5556 460-5555 3453452 688-0124 244-0024
	State Count: 5					
AL AL AL AL AL AL AL AL AL	State Count: 5  SWEPPENHISER, NATHANIEL J DUPLANTIER, RAY J COMPTON, WINFRED *GARY* WILLIAMS, JOSEPH *MIKE* COX, BARRY W FRANKLIN, PHILLIP H HUGHES, JOHN L MASONIA, CHARLES E *CHUCK FINCHER, JAMES H *MARK* DEPAUW. RICKIE A MARTIN, CAREY B RAWLINGS, DANNY RAGSDALE, MARCUS DAVIS, IRA CLARK, TIMOTHY J HAYES, MARK A SALTER, WILLIAM W TOLAND, HARK E FRYER, KEVIN L  State Count: 19	13151 HILLCREST DR 10407 US HWY 31 #111 1222 SNOW HINTON DRIVE 705 HILTON RD 9339 WOODLAND DRIVE 170 CAMPBELL RD 301 KROY DR 145 COUNTY RD 460 3513 SANDY OAKS 7350 HOWELL COVE RD 11374 FRIEND RD 6509 EAGLE RIDGE LANE 266 LEE RD 528 387 LEE ROAD 643 948 LEE RD 437 710 SMALL LAKE DR 126 HAPPY HOLLOW DR 166 PATTERSON LANE 202 LEE ROAD 537	ELBERTA SPANISH FORT TUSCALOOSA ANNISTON ELBERTA MUNFORO MONTGOMER Y KILLEN SARALAND TALLADEGA ATHENS PINSON PHENIX CITY SALEM PHENIX CITY ODENVILLE UNION SPRINGS MERIDIANVILLE SALEM	36530 36527 35405 36207 36530 36268 36117 35645 36571 35160 35611 35126 36867 36874 36874 36870 35759-1102 368874	277056 277056 25564 255336 2552 2562 23334 2336 23364 23364	986 - 5819 831 - 5433 349 - 4497 343 - 4334 979 - 0275 358 - 9469 546 - 5646 856 - 3066 856 - 3066 723 - 8289 210 - 0451 6809218 2984178 291 - 0491 297 - 1387 960 - 5195 738 - 2051 698 - 3189 291 - 0267
	State Count: 19					
AR AR AR AR AR AR AR AR AR AR AR AR AR	RUSSENBERGER, JOSHUA J TATE. JAMEY L DAVIS, JOHN H WELLS, MALCOLM *M. RYAN W WISE, JIMMIE DEAN CASEY, JASON S GALL, ALLAN L RICHARDSON, RICHARD T *BO GRUNST, TIMOTHY G BUNCH, JAMES A JONES, RICHARD E CHRISTMAS, ERNIE T JOHNSON. WALTON W COOK, RILEY *BUD* BRYANT, DAVID CLARK, BILLY J PETERSON, TODD A	913 N 3RD 99 HATERLANE 12 GREEN MEADOWS DR 176 MARY WEISS LANE 1006 NORTH HAPLE 244 MUSIC LANE 203 N 31ST STREET 210 DAWN DR 45 BUCKINGHAM DR 537 KIRKLAND ST 1601 CLAUD ROAD 2689 GREENE 737 RD 296 CR 2760 18481 TAMIKA LANE 224 KASSMAN DR 40 CHIMNEY RD 625 OAKWOOD ST	AUGUSTA CONCORD VILONIA MENA STUTTGART DOVER OZARK CENTERTON BELLA VISTA GASSVILLE PINE BLUFF PARAGOULD LAMAR GRAVETTE HOT SPRINGS BATESVILLE LOWELL	72006 72523 72173 71953 72160 72837 72949 72719 72714 72635 71602 72450 72846 72736 71913 72501 72745	870 870 479 870 479 479 479 870 870 870 870 877 979	347-6188 307-4379 305-3749 234-2405 674-7185 880-6543 213-0223 263-7170 295-9893 421-7755 247-5070 930-6933 885-0809 787-7361 620-0860 793-2025 571-1163

State Count: 17

Page - . . . . 2 Date - . 1/01/2011

Run	Date :12/30/10						D
State	Distributor Name	8126 W MARYLAND AVE 19075 N SAN PABLO ST 6560 W ABRAHAM LANE 2608 W IRVINE RD 2751 N 103RD AVE 22322 N 82ND LANE 3317 E BELL RD STE 101.43 6604 W PORT ROYALE LANE 165 CAMIND OCEANO PO BOX 228 2233 W ANGEL HAY 435 EAST LEHI RD 7009 W COLUMBINE 5222 W EL CORTEZ TRAIL 8624 W MELINDA LANE 4543 E GELDING DR 16181 W YOUNG ST 6308 N 86 ST 13813 S BEE BONNET CT 1677 W DESERT LANE 5615 N 48TH LANE 1601 E HIGHLAND AVE #1111 12323 H MONTE LINDO LANE 2102 W TOPEKA DR 1840 W ELVRIA ST 4940 E SNOWSHOE WAY 275 LIBBY LANE PO BOX 2770 1002 EAST COLTER ST 1042 WILLOW CREEK RD SUI 9811 N CALLE SOLANO 2830 N LLOYD BUSH OR PO BOX 46 2110 E FLINTLOCK WAY 1120 EAST CIRCLE MT RD 1965 LAUREL LN 6811 N SKYWAY DR 5541 W CAMINO VIVAZ LANE 6395 E 45TH PLACE 1568 E CASSIA CT 8425 W SHAW BUTTE DR 2722 E LYNWODD ST 9916 E GLENCOVE CIRCLE	City	Zip	Code	Area Code	Phone Number
AZ	BEAUCHAMP, KENT D	8126 W MARYLAND AVE	GLENDALE	85303		623	872-8867
ΑZ	WASHBURN, R PHILIP	19075 N SAN PABLO ST	MARICOPA	85238		480	206-8613
ΑZ	JEPSON, JERROLD G *JERRY*	6560 W ABRAHAM LANE	GLENDALE	85308		623	824-5209
ΑZ	SCHMIDT, STUART G	2608 W IRVINE RD	PHOENIX	85086		623	202 4803
AZ	MERRICK, BRIAN H	2751 N 103RD AVE	AVONDALE	85392		602	741 - 1732
AZ	MARSDEN, STEPHEN M	22322 N 82ND LANE	PEORIA	85383		623	825-9939
AZ	SOPHER, EDWARD A	3317 E BELL RD STE 101.43	PHOENIX	85032		602	882-2432
AZ	FERRELL, DAVID A	6604 W PORT ROYALE LANE	GLENDALE	85306		602	796-0132
A2	GUMEZ, AKMANDU N	165 CAMIND UCEANU	RIU KILU	05224		520	619-1296
AZ AZ	PASIURELLU, MARI L LIMMELEADR DVIAN M +MAV+	PU BUX 220	CAN TAN VALLEY	05324		100	586-0627
AZ	FOFFMAN DICHADO A	AZE EVEL IENT DU	MEST AN AMERICA	85203		480	254-2290
ΑZ	DREWES WILLIAM J	7009 W COLUMNINE	PEOPTA	85381		623	412.3700
ΑŽ	SMITH, DARRELL R	5222 W FI CORTEZ TRAIL	PHOFNIX	85083		602	820 - 2467
ΑZ	THOHASON, DARIN M	8624 W MELINDA LANE	PEORÍA	85382		602	791-4690
ΑZ	MAY, MICHAEL A	4543 E GELDING DR	PHOENIX	85032		602	339-6575
ΑZ	GATTIS, MICHAEL W	16181 W YOUNG ST	SURPRISE	85374		623	332-5544
ΑZ	TAYLOR, KEVIN G	6308 N 86 ST	SCOTTSDALE	85250		602	579-1213
ΑZ	PENCE, PAUL C	13813 S BEE BONNET CT	VAIL	85641		520	991-8350
ΑZ	BOOTH, SEAN R	1677 W DESERT LANE	GILBERT	85233		*N0	PHONE***
AZ	ROBSINS, CHARLES *GREGG*	5615 N 48TH LANE	GLENDALE	85301		602	291-3525
AZ	RYAN, LAWRENCE D	1601 E HIGHLAND AVE #1111	PHOENIX	85016		602	810.2329
AZ AZ	NEIL, JASUN S	12323 H MUNIE LINUU LANE	DUDENTY	053/3	•	623	000.2303
AZ	PARTICIPAL I "WULF	1010 W TUPERA DR	THESON	86746		*NA	DHUNE***
AZ	FRY JUSTIN A	4940 F SNOWSHOF WAY	FLAGSTAFF	86004		928	853-7162
ΑZ	DEARDEN MICHAEL P	275 LIRRY LANE	CORNVILLE	86325		928	300-4940
ΑZ	BRISCO. GALE C	PO ROX 2770	SNOWFLAKE	85937		928	243-8301
ΑZ	NELSON. COREY W	1002 EAST COLTER ST	PHOENIX	85014		602	245.0064
ΑZ	ESTERKIN, THOMAS	1042 WILLOW CREEK RD SUI	PRESCOTT	86301		928	830-4542
ΑZ	CLONTS, GARY	9811 N CALLE SOLANO	TUCSON	85737		520	742 - 1374
ΑZ	KVILVANG, JAY	2830 N LLOYD BUSH OR	TUCSON	85745		520	682-6550
ΑZ	POCHOS, ZEITA E *ROB*	PO BOX 46	CAVE CREEK	85327		602	803-7777
ΑZ	GARCIA, JASON S	2110 E FLINTLOCK WAY	CHANDLER	85249		480	219-6558
ΑZ	HUNGU, KEVIN	1120 EAST CIRCLE MI RD	NEW RIVER	8508/		623	915-0835
AZ AZ	MAKAWAT, ALLEN	1965 LAUKEL LN	SIEKKA VISIA	85535		480	743-0445
AZ	DAVED MICHELE *DOME WARD	DOLL N SKYWAY UK	LUCSUN CLENDALE	05210		520	742-0909
ΑZ	SEARS DAVID I	6306 F AGTH DIACE	VIIMA	86366		423 420	939.4031
ΑŽ	BILLUPS. JACK A	1568 F CASSIA CT	GILRERT	85296		480	272.7054
ΑZ	VANGORDON, DAVID W	8425 W SHAW RUTTE DR	PEORIA	85345		623	334-4284
ΆZ	MCGRAW. TIMOTHY A	2722 E LYNWODD ST	MESA	85213		480	610-0660
ΑZ	QUOZIENTE, ALPHONSO N	9916 E GLENCOVE CIRCLE	MESA	85207		480	734-5216
	State Count: 43						
CA	DADNES JAMES A	ACCA DAY CLEN DD D	CANTA DADDADA	00110		005	570 5000
CA CA	DAKNES, JAMES V HACHOLIAN VECHIA ********	4551 DAK GLEN DR D 2010 RIPLEY AVENUE 2334 YOSEMITE AVENUE 1515 2ND ST	PENDANO BEYCH	93110		805	5/0-5008
CA	YOU KAHAT K	2224 VOSEMITE AVENUE	KEUUNUU BEALH Simi valiev	902/0		210	3/9-38UZ E07.2E0E
CA	GOLDEN. CHRIS D	1515 2ND ST	SANGED SANGED	93003		5 K Q	207.2000
•		IUIU ENU JI	JANULK	,,,,,,		999	575-103/

Area Phone

State	THOMPSON, ROBERT E GOODNESS, JOSEPH K LEWIS, TY D LAUGHNER. GLENN F BROOKS, JASON 6 WOOD, CONRAD B APA, JOSEPH T JR JIMENEZ, PAUL JR JOHNSON, MARK A SCHNOOR, JAMES C MUNOZ, IGNACIO ROCKWODD, MICHAEL G ENRIGHT, ROY CHOUNARD, MICHAEL L LUND, DENNIS M STEAD, MICHAEL C BRUBAKER, JAY T LOUGHRIDGE, NICHOLAS C SMITH, KAI J WHITNEY, SHAWN YENAWINE, CURTIS L RODRIGUEZ, RAUL MACIAS, RODOLFO ENGELBRECHT, ERIC A MINSER, MARK W MAHMOUDI, ALI LINERO, DION KACEREK, TIMOTHY R CHATER, ANDREW D HERNANDEZ, JUAN P KALAITZIAN, ARSEN H MORALES, LARRY J DURNING, BRENT SINGH, PARVEEN MICHAELS, ALAN B ALIOTTI, DAVID ARMSTRONG, GARY T COURTNEY, MARK L & KEVIN DYAR, DARYN L BRIL, BURT HUTTON, KERRY A SNYDER, WILLIAM L *BILL* MEGLASSON, JAMES P JR *PA GARCIA, PEDRO *PETE* NORTON, VALERIE B SMITH, STEVEN D FLORES, JAIME A DUFF, JOHN M ROBLES, JESUS A COUVILLION, MARC P	Address	City	Zip	Code Code	Number
CA	THOMPSON, ROBERT E	303 S WESTWIND DRIVE	EL CAJON	92020	619	588-2479
CA	GOODNESS, JOSEPH K	3042 W LYNROSE DRIVE	ANAHEIM	92804	714	229-0656
CA	LEWIS, TY D	1599 15TH STREET	OCEANO	93445	805	474-4230
CA	LAUGHNER. GLENN F	81239 COCO PALM	INDIO	92201	760	485-2017
ÇA	BROOKS, JASON 6	3668 LIBERTY ROAD	GALT	95632	209	712-0606
ÇA	WOOD, CONRAD B	2523 MCKINLEYVILLE AVE	MCKINLEYVILLE	95519	707	839-8458
ÇA	APA, JOSEPH T JR	3489 WHIRLAWAY LANE	CHINO HILLS	91709	909	573-7106
ÇA	JIMENEZ, PAUL JR	1144 DIX STREET	SAN MATEO	94401	650	578-1371
CA	JOHNSON, MARK A	17526 PARKER RD	CASTRO VALLEY	94546	510	912-1583
C A	SCHNOOR, JAMES C	3902 EAST PALMYRA AVE	ORANGE	92869	/14	997-3881
U A	MUNUZ, IGNACIO	14294 W SHERI ST	KERMAN	93630	559	346-941/
L A	ROCKWODD, MICHAEL G	24041 LIMB SIKEEL	WISSION ATER	92091	949	403.1933
CA	CHOUNARD MICHAEL	1253 BIRCH WAY	ESCUNDIDO	92027	760	023./213
CA	CHUUNAKU, MICHAEL L	1230 ALVERNET LUURI	CCCNDIDO	92034	70U	003.03/0
CA	LUND, DENNIS M	/OU KIMDALL SIKEE!	ESCONDIDO	92027	~ N U	012 9510
CA	DRUDAVED JAV T	3205 SANUMUUNU BLVU	CARLET	94501	923	200 0011
CA	DRUBAKEK, JAY I	21 FACT JANCE DOAD	THOUSAND DAKS	01260	910	706-7222
CA	CMITH VAI 1	CI EAST JANSS KUAD	DIVEDEIDE	91300	003	640-1364
CA	MUTTNEV CUANN	DC DVA EO MINDOCK 21	KIACK2IDE	95582	221	100-4304
ČΔ	VENAUTHE CHOTTS I	120 STEDUANTE LANE	CDESCENT CITY	95531	707	218-4450
ĽΔ	PONDIGHET DAM	21309 LOSTINE AVE	CADSON	90745	310	346.4090
ČΔ	MACTAS DODOLEO	10527 KEWEN AVE	PACOTMA	91331	918	269-3612
CA	FNGFIRRECHT FRICA	2224 STH AVE	SAN RAFAFI	94901	415	713-5604
ČA	MINSER MARK W	1064 SUNSET DR	-I TVFRMORF	94551	925	337.2264
CA	MAHMOUDT ALT	2019 HAVEMEYER LANE UNIT	REDDNDO BEACH	90278	310	944.4876
ĈA	LINERO DION	3415 GAUNTLET DR	WEST COVINA	91792	626	926-1120
ČÄ	KACEREK, TIMOTHY R	7331 F BREMER	FRESNO	93727	559	761 - 3888
ČA	CHATER, ANDREW D	3410 EAGLEPOINT DR	GLENDALE	91208	818	669-1666
CA	HERNANDEZ. JUAN P	701 PERU AVE	SAN FRANCISCO	94112	510	432-1655
CA	KALAITZIAN. ARSEN H	2469 MESA TERRACE	ÜPLAND	91784	909	322-5272
CA	MORALES, LARRY J	802 SKYLER WAY	BREA	92821	562	706-8009
CA	DURNING, BRENT	1377 MERSEY AVE	SAN LEANDRO	94579	510	303-9286
CA	SINGH, PARVEEN	1805 HILL AVE	HAYWARD	94541	510	209-6995
CA	MICHAELS, ALAN B	12611 AUTUMN OAKS	REDDING	96003	530	917-0788
ÇA	ALIOTTI, DAVID	927 HELLAM ST	MONTEREY	93940	831	658-0356
CA	ARMSTRONG, GARY T	9551 SAILFISH DR	HUNTINGTON BEAC	92646	714	394-6143
ÇĄ	COURTNEY, MARK L & KEVIN	702 N FERN ST	ORANGE	92857	714	925-1590
ÇA	DYAR, DARYN L	2466 BEACH ST	OCEANO	93445	805	440-3351
CA	BRIL, BURT	3179 MELODY LANE	SIMI VALLEY	93063	805	331-1513
UA	HUITON, KERRY A	25355 JOYCE PL	STEVENSON RANCH	91381	661	645-7800
LA CA	SNYDER, WILLIAM L *BILL*	722 W BERKELEY CI	ONTARIO	91762	909	843-5793
CA	MEGLASSON, JAMES P JR *PA	5/11 MADRA AVE	SAN DIEGO	92120	619	838-6676
CA	MARCIA, PEDRO *PETE*	1260 NICOLA DR	RIVERSIDE	92506	951	897-1243
CA	NUKIUN, VALEKIE B Smitu steven n	3/0 EMPIKE SI	SAN LUKENZU	94580	210	414-2521
ΓA	STILLE, STEVEN D FLODES TAIME A	TIZ MUKKUW U	SAN DIECO	32133	408	209-/245
CΑ	ILUKES, JAINE A NNEE INUN M	10206 CALVEDT CT	DECEDA	92139 01225	619	04U-0459
ČΔ	RORLES TESHS A	1060 E 20TU CT	RESEUA Long Deach	31332	2 t 3	301-3312
ČΑ	COUVILLION MADE D	3 CUNUUD CT	AMEDICAN CANVON	20000	30 <i>2</i>	310.1303
٧٨	SOUTHER HARD F	L COMPON CI	MIEKICAN CANION	74303	/ 0 /	220.3301

Page - . . . 4 Date - . 1/01/2011

Run	Date :12/30/10				Area	Phone
State	Distributor Name	Address .	City	Zip Code	Code	Number
CA	ROONEY, ROBERT L SIKORSKI, SCOTT R SCHEINER, JASON MACKEY, ROBERT J ZUCKERMAN, GARY S HAMMITT. ANDREW K BROCKS. GENE G HOLMES, DARREL W SPRAGGS. DONALD D CHAMBERS, ROBERT P BROWN, RICK L RAMOS, PAUL O MACCANELLI. FRANK *F MACC STEPHENSON, WILLIAM *B ST HAMMOND. WESLEY P BARRETT, JAY R MCSPARREN, KEVIN G DE HAAN, HENRY S COVARRUBIAS, MICHAEL A DEANG, ROEL B TOYAMA, NICHOLAS A BEST, JOHN F JR MCCUBBIN, DEREK J FISHER, GERALD D KESLER, RONALD MURRAY, THOMAS BURCHETT, RECIEL *ROY* DUROCHER, DEWANE HALZLE, MICHAEL INIGUEZ, JOSE HUNNICUTT, TOMMY FULTON, BRIAN RAMIREZ, RUDOLPH ARNOLD, WILLIAM CHANDLER, JEFFERY ENGEL, RONALD CARR, BRANDON MOHAN, JOE M MCHANDLER, JEFFERY ENGEL, RONALD CARR, BRANDON MOHAN, JOE M MCHANDLER, JEFFERY ENGEL, RONALD CARR, BRANDON MOHAN, JOE M MCHANDLER, JEFFERY ENGEL, RONALD CARR, BRANDON MOHAN, JOE M MCHANDLER, JEFFERY ENGEL, RONALD CARR, BRANDON MOHAN, JOE M MCHANDLER, JEFFERY ENGEL, RONALD CARR, BRANDON MOHAN, JOE M MCHANDLER, JEFFERY ENGEL, RONALD CARR, BRANDON MOHAN, JOE M MCHANDLER, JEFFERY ENGEL, RONALD CARR, BRANDON MOHAN, JOE M MCHANDLER, JEFFERY ENGEL, RONALD CARR, BRANDON MOHAN, JOE M MCHANDLER, JEFFERY ENGEL, RONALD CARR, BRANDON MOHAN, JOE M MCHANDLER, JEFFERY ENGEL, RONALD CARREDER, JEFFERY ENG			92563	951	595-5482
ČÁ	SIKORSKI. SCOTT R	1007 PARKHILL LANE	ESCONDIDO	92026	760	270-8672
CA	SCHEINER, JASON .	9522 FAIRBANKS	SAN DIEGO	92123	619	279-6540
CA	MACKEY, ROBERT J	4827 LOMINA AVENUE	LAKEWOOD	90713	909	455-6282
CA	ZUCKERMAN, GARY S	4165 VIA CANDIDIZ UNIT 30	SAN DIEGD	92130	858	829 9912
CA CA	HAMMIII, ANUKEW K	30813 MARNE UK	CALT	902/5	310	7/7 / 1506
CA	HOLMES DARREL W	2243 HIDDLETOWN DR	CAMPRELL	95008	408	379-9017
ČÁ	SPRAGGS. DONALD D	44264 COMPIFGNE DR	HEMET	92544	951	212-6512
ČA	CHAMBERS, ROBERT P	5222 W LARK CT	VISALIA	93291	559	303-2387
CA	BROWN, RICK L	849 E OALTON	6LENDORA	91741	626	378 • 9566
CA	RAMOS, PAUL O	2221 CATAMARAN WAY	STOCKTON	95206	209	923-3243
CA	MACCANELLI, FRANK *F MACC	19258 PEBBLE BEACH PL	NDRIHRIDGE	91326	818	4/2-3311
CA CA	STEPHENSON, WILLIAM "B ST	4344 MAINES AVE	CHINU San Jose	99139	909	342-2580
CA	BARRETT JAY R	8 WAINIT DR	ALISO VIEJO	92656	949	922-5389
CA	MCSPARREN, KEVIN G	10759 7INFANDEL ST	ALTA LOMA	91737	909	286-4702
ČA	DE HAAN, HENRY S	5913 CANDLEWOOD ST	LAKEWOOD	90713	562	805-5735
CA	COVARRUBIAS, MICHAEL A	178 GRAPEVINE DR	CORONA	92882	951	264-9476
CA	DEANG, ROEL B	423 LUX AVE	SOUTH SAN FRANC	94080	650	278-9361
CA	TUYAMA, NICHOLAS A	1/25 DALIA LANE	MANIECA	9533/	760	014-38/0
CA CA	MCCHODIN DEDEK 1	1624 SHAUT BRUUK UK 1616 TIDIDARO DD	FULLERIUM	92031	760	484.13NN
CA	FISHER GERAIN N	5565 OSBORNE CT	SAN BERNARDINO	92407	909	556-5716
ČÁ	KESLER, RONALD	2413 DUNAWAY DR	SANTA ROSA	95403	707	527-5282
CA	MURRAY, THOMAS	PO BOX 293134 PH 916-425	SACRAMENTO	95829-3134	916	425-1579
ÇĄ	BURCHETT, RECIEL *ROY*	1724 RED WILLOW_ROAD	FULLERTON	92833-1434	714	871-9106
CA	DUROCHER, DEWANE	2322 KLUNE COURT	SANTA CLARA .	95054	408	247-0309
CA CA	HALZLE, MICHAEL	1224 SHAUY MILL RU	CURUNA	92882-5838	951	/35-9118
CA	HINNICHTT TOWMY	1/0// AUA   E	MHITTIED	92509	213	040-2000
ČÁ	FULTON, BRIAN	1401 VIA LIMA	FALLBROOK	92028	949	2303949
ČA	RAMIREZ, RUDOLPH	1428 FLINTWOOD COURT	MARTINEZ	94553	925	2284050
CA	ARNOLD, WILLIAM	1812 STERLING PLACE	LIVERMORE	94550	925	960-9225
CA	CHANDLER, JEFFERY	12737 LOS COCHES COURT	LAKESIDE	92040	619	561-5128
CA	ENGEL, RONALD	22395 RIPPLING BROOK	LAKE FOREST	92630	714	335-1567
C A C A	CAKK, BRANDUN	349 SKY VISIA WAY	FALLBROOK	92028	949	422-5355
CA	ACRE INDOV	1100 EALIDDOOK	ANAMEIM DEDIANDS	92801	010	490-1225 702-0278
ČÁ	STRAGER ALAN J	1464 BLACKSTOCK	SIMI VALLEY	93063	805	584-1033
ČA	SHELDON, JEFF	1761 CALGARY DRIVE	SUNNYVALE	94087	408	749-1685
CA	ANAGNOSTON, GREGORY	100 MARGUERITE DR	HDLLISTER	95023	831	635-0208
CA	ROTHENBERG, ZVI	3159 QUEENSBURY DRIVE	LOS ANGELES	90064	310	836-1149
CA	JACKA, RICHARD	108 CHALK CREEK COURT	MARTINEZ	94553	925	930 - 7312
CA CA	UKCENE, PEKKY B	35236 LAKE BLVD	NEWARK	94560	510	/909437
CA	OCCHIDINTI FRANK	STOS ANDKEWS COOK!	SAN WIEGU	74154 94402	620 013	340-0344
ČÁ	HALTER, MIKE	9055 MAC LANE	SPRING VALLEY	91977	619	719-6701
ČA	ROESNER, KENNETH	1272 VINA DEL MAR	PLACENTIA	92870	714	572-2558
CA	COULTER, RALPH W	3675 CHARTER HALL COURT	SAN JOSE	95136	408	265-7245

#### NMTC, Inc. d/b/a Mateo Tools Active Distributors By State for 2010

Page - . . . 5 Date - . 1/01/2011

Run Date :12/30/10

	Date :12/30/10 Distributor Name	Address	City	Zip Code	Area Code	Phone Number
CA CA CA	BURGESS, DAVE LEPPANEN, TERRY	Address	LITTLEROCK FAIR OAKS	93543 95628	661 916	944-5930 966-8262
CA	FOLIA, BRIAN	2620 DUOMO ST	PALMDALE	93550	661	478-4391
C A C A	SHAFFER, DANIEL L TARRELL TIMOTHY D	13811 CHRISTIAN BARRETT PO ROX 720890	MOORPARK PINON HILLS	93021 92372	805 760	517·1519 868·6017
CA	BRISKY, DAVID	9742 CLEARBROOK DR	HUNTINGTON BEAC	92646	714	968-5463
CA CA	SHIELDS, LARRY D SOOK DAVID	8742 BUENA VALLEY DR 1053 ARKFII	SANTEE WAINUT CREEK	920/1 94598	619 925	334-6045 687-0980
CA	SIMONI. STUART D	960 KERN COURT	LIVERMORE	94551	925	373-9329
C A C A	DEVORE, GREGORY CARLSON THOMAS R	6696 LASSITTER RD 20737 SOLFDAD CANYON RD	RIVERSIDE CANYON COUNTRY	92509 91351	951 661	681-8/10 916-1561
CA	GONZALES, DAVID	6342 HILLTOP OR	CARMICHAEL	95608	916	747 - 6342
CA   CA	DEVORE, DANIEL *MARK* CALTABIANO. STEVE	5010 ASHLAND DR	CAMERON PARK	92544 95682	530	676-7284
CA CA	JACOBSON, MARK	24736 MERIDIAN DR	DANA POINT	92629	714	478.5414
CA I	HOUCK, JOHN L	23391 VIA GAUDIX	MISSION VIEJO	92691	949	768-6156
CA (	LILLIE, BRIAN R	1445 CAOWELL CT	RIVERSIDE	92506	951	276-1933
ČÃ /	ANTOINE, SEAN	235 MARIANELA LANE	LOS OSOS	93402	805	634-9368
CA I	MILES, KENNETH G TURRIFTTA RICHARD P	5001 TASMAN DR	HUNTINGTON BEAC	92649 92071	714 619	420-3035 448-2852
ČĀ Į	LEDBETTER. JAMES C	3866 ROCKY POINT WAY	SANTA ROSA	95404	707	849-1017
CA I	HOMMEL, FREDRICK M WATTERS TERRY D	15308 ELMBROOK DR 7238 ENCINA RD	LA MIRADA JOSHA TREF	90638 92252	/14 760	521-3/63 641-8655
CA	RABIEE, MOHSEN	653 CALLE SEQUOIA	THOUSAND OAKS	91360	805	376-2167
CA [	DIETTINGER, GARY L KUNKEL, ROBERT A SR	6032 TURQUOISE DR 1224 PUTNAM ST	ROCKLIN ANTIOCH	956// 94509	916 925	2/6·11/6 755-0373
CA I	HASSANI, FRANK	6805 INDIANA AVE	LONG BEACH	90805	562	883-3022
CA T	IABUSA, JAMES M SHEPHERD. LEE C	2045 SPY GLASS DR 2001 RIDGE RD	SAN BRUNU UKIAH	94066 95482	650 707	355-4204 467-1314
CA V	WALTERS, PERRY L	175 DISTRICT CENTER DR	OROVILLE	95956	530	828 - 2442
CA F	RODRIGUEZ, ROBERT M	121 MATTHEW CT	GALT	95632	916	869-6883
CA P	MARTINEZ, ALLEN A ROYADITAN HATGI	1906 SHURTLEFF AVE	NAPA	94559	707	337-3241
CA	MADRIGAL, RANDY L	1914 AROEN OR	FRESNO	93703	559	264 - 1854
CA A	AYALA, JESSE WATSON. KENNETH I	2815 CARLSBAD ST 5673 CRESENT AVE	REDONDO BEACH	90278 90620	310 714	219-0640 821-7428
CA 1	TORRES, STEVE W	461 ZAYANTE SCHOOL RD	FELTON	95018	831	335-3992
CA 7 CA 6	TOTH, TIBUR A GONZALES, ROBERT JR	3584 SPANISH GATE DR 9405 TOTEM AVE	NEWBURY PARK BAKERSETELD	91320 9331 <i>2</i>	805 661	376-0556 587-0348
CA S	SIMONE, MATT P	1537 N ADLER	FRESNO	93727	559	456-0549
CA N	MEYER, CHARLES B	813 CHARDONNY CIRCLE	PETALUMA	923/4	707	794-6337 769-7818
CA F	ROUNDS, ROBERT D *DAVE*	40521 CLEAR LIGHT RD	TEMECULA	92591	951	218-3298
CA B	BECKER, ROBERT J	2091 ROSEDALE DR	SAN PABLO	94806	519	724-2659

State Count: 153

NMTC, Inc. d/b/a Mateo Tools Active Distributors By State for 2010 Page · . . . 6 Date · . 1/01/2011

Run Date :12/30/10

<b>.</b>	Date :12/30/10 Distributor Nane	Address	City	Zip Code	Area Code	Phone Number
- CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	DISTRIBUTOR Name  DADDERIO, GEORGE D MCDANIEL, LARRY G SILLATO. ALAN R SADLER, CHRISTOPHER C HUFF, GARY P JASPERSON. KREG T UNREIN, MICHAEL D RICHARDS, MARK S JACKSON, DONALD A SOLKO. DEBRA M BACKSTROM, LEE N GETZ, KENNETH D SHIGLEY, TOBY B RYAN. THOMAS R WILLIAMS, CARL A HORNE, MICHAEL H MAYROSE, STEVEN L LIKNESS, GREGORY COLE, WILLIAM EUGENE LAMOREAUX, JOHN S GERHARDT, PAUL LOVINGGOOD. DAVID EMANUEL, PATRICK BECK, KIRK N KULLMAN, TIM A SANDERS, TODD W  State Count: 26	11500 VICKIVIEW 6451 W 74TH AVE 2708 E 118TH CIRCLE 7776 S FENTON ST 5255 WILHELM DR 1710 KENT AVE 1520 DONOVAN PL 252 MESA ST 18690 SAGE CREST RD 617 IMPALA TRAIL 9156 W 102ND PLACE 319 BELLOWS COURT 118 ROCKBRIDGE CT PO BOX 1824 488 VIENNA DR 4665 S UNION STREET 2932 JOAN WAY P 0 BOX 8267 155 SOUTH SNEAD DRIVE 122 BRICE PLACE 5780 OIL BARON DRIVE 7120 S KNOLLS WAY 5398 ELDRIDGE ST 13783 LEGEND WAY #102	STRASBURG ARVADA THORNTON LITTLETON COLORADO SPRING MONTROSE LONGMONT BRIGHTON PEYTON BAILEY BROOMFIELD CANON CITY WINDSOR EAGLE PARKER MORRISON GRAND JUNCTION COLORADO SPRING PUEBLO WEST DURANGO PEYTON LITTLETON ARVADA BROOMFIELD	80136 80003 80233 80128 80128 80911 80501 80601 80601 80621 80021 81212 80550 81631 80138 80465 81504 80933 81007 81303 80933 80933 80122 80002	303 303 303 720 970 303 303 303 720 970 303 303 303 970 719 970 719 970 719 970 719	Number 621-6830 880-1666 974-8982 384-7856 650-5317 596-5983 746-8657 909-2271 909-2271 323-6109 588-3145 310-1782 720-5570 408-5429 396-9584 640-1875 331-0867 647-9871 375-6219 573-6980 573-6980 423-2567 890-4670
CD CO	KULLMAN, TIM A SANDERS, TODD W	12505 W 29TH PL 179 SPRING LANE	LAKEWOOD BAYFIELD	80215 81122	720 970	530-3600 884-3251
	State Count: 26	-				
CT CT CT CT CT CT CT CT CT CT	State Count: 26  LANGDON. JAMES C ZERANSKI, WALTER HARGREAVES, JEFFREY H WHEATON, LESLIE SEBAS, CHRISTOPHER MARCANO, WILLIAM C GRATEROL, ISRAEL A HEMBY, MATHEW W *BILL* MOLITANO, MARK P ABUDO, JOSE A FERNANDES, MARCIO SIMPSON. ROBERT *BOB* PERSICHILLI, ANTHONY RIOUX, RICHARD DASILVA. ANTONIO NIELSON, HARRY CUTTER, CHRISTOPHER COX. MICHAEL W	225 LAKEVIEW DR 11 EVA CIRCLE 3 JOSHUA LANE 83 CEDAR HILL ROAD 7 NORTH RD 168 LAKE SHORE DR 70 MILLBROOK RD 3 JEFFERSON ST 483 CHARLES ST 75 SCOTT DR 169 HAPLE HILL ROAD 51 PEPPERMINT LANE 3 RIDGE RD SNUG HARBOR 8 STEPHEN COURT 164 BAILEY ROAD 5 HOWARD STREET 22 OXFORD DR 156 WEST ROCKS RD	COLCHESTER NORTH HAVEN CLINTON MILFORD EAST GRANBY NEW HARTFORD MERIDEN SEYMOUR TORRINGTON MANCHESTER NAUGATUCK BRISTOL DANBURY PROSPECT ROCKY HILL SIMSBURY ENFIELD NORWALK	06415 06473 06413 06460 06026 06057 06450 05483 06790 06042 06770 06010 - 2275 06811 06712 06067 06067 06082	860 203 860 203 860 206 860 206 860 203 860 203 860 203 860 203 860 203 860 203 860 203 860 203 860 203 860 203 860 203 860 203 860 203 860 860 860 860 860 860 860 860 860 860	267 · 0887 239 · 7797 664 · 4340 876 · 0454 882 · 2327 309 · 3163 883 · 5558 994 · 1974 485 · 5327 573 · 4482 843 · 5494 416 · 4983 748 · 5272 758 · 3839 5631964 6518023 7450124 846 · 6040

State Count: 18

Run	Date :12/30/10						D.
State	Distributor Name	Address	City	Zip	Code	Code	Phone Number
DE DE	WEISMAN, MATTHEW E CONNOR, DANIEL	27 CHRISTINA WOODS CT 434 BOXWOOD LANE	NEWARK	19702		302	250-6427
	State Count: 2	•					
F F F F F F F F F F F F F F F F F F F	DALCONZO, JOE CRONK, CRAIG TORRES, HUGO O DELAROSA, RICHARD R DAWSON, STEVEN N MIZRAHI, MITCHELL W STAPINSKI, DAVID J GATEWOOD, MICHAEL L ALLEN, DONALD L HERRERA, JOSE R HAMLOW, STEVEN N YOCUM, ELDON D PACE, GLENN D SALAZAR, JOSE E BELLEROSE, MATTHEW J RAMOS, NOE LUCERO SADLER, THOMAS S *STEVE* WILLIAMS, JACOB J COSENTING JR, JOSEPH L RANDOLPH, GLEN E MCCORMICK, WILLIAM J ESCH, JASON D CEBALLOS, LORETA G *ARIEL CHIAPPETTA, FRED J KALEVA, ISAK W WHIPPIE, TERRY J BRODSKY, ANTHONY I APPEL, JACK GILHAN, JAMES D *DANNY* HAGAN, RICHARD B DELGADO, RAFAEL *JULIO MI LARCO, ROMMEL MCMAHON, LIONEL V *VAUGHN AXTELL, PAUL 6 SMITH, PHILIP J DUFFY, WILLIAM O JONES, JONATHAN L CLAGETT, BRIAN DL	5640 MYAKKA VALLEY TRAIL 5730 NW 48TH AVENUE 229 SOUTHEAST 3RD AVE 1009 FOSTERS MILL ROAD 683 CHARLES PINKNEY STREE 17428 68TH STREET N 305 CHIPEWAY AVENUE 2106 WEST GARDENIA CR 11603 BROWNING ROAD 20 EAST 62ND STREET 24105 E CR 1474 4531 ALVAMAR TRAIL PO BOX 5 10650 NE 10TH PLACE 4882 DEEDER CT 16471 BLATT BLVD 460 SPRING FOREST RD 5384 CUSTER ST 421 E 7TH STREET 1204 BLISSWOOD DR 45 N WALTER COURT 8002 SW 149 ST APT B410 1157 SE 32ND TERRACE 7211 SW 5TH STREET 10148 BRIAR CIRCLE 978 SE BAYFRONT AVE 8321 SW 57TH ST 7160 DOGWOOD TERRACE DR 695 A1A NORTH UNIT 142 11554 MALVERNS LOOP 18203 SW 109TH PATH 579 WOODLOW RD 13834 PORT HARBOR CT 23119 OLEAN BOULEVARD 525 SW DEER RUN 5825 NW 27TH ST 1405 W CHELSEA AVE 7839 NE 21ST PL POO BOX 358 7806 NW 71ST AVE 1322 BARRANCA AVENUE 127 TOLEDO PLACE 726 GREEN CT 18090 WINTERGARDEN AVE	SARASOTA COCONUT CREEK POMPANO BEACH BOYNTON BEACH ORANGE PARK LOXAHATCHEE DAYTONA BEACH NORTH FORT MYER LITHIA HIALEAH HAWTHORNE LAKELAND COPELAND MIAMI SHORES JACKSONVILLE WESTON NEW SMYRNA BEAC KEYSTONE HEIGHT JACKSONVILLE BRANDON COCOA MERRITT ISLAND MIAMI CAPE CORAL N LAUDERDALE HUDSON PORT SAINT LUCI DAVIE PENSACOLA PONTE VEDRA BEA ORLANDO MIAMI NICEVILLE JACKSONVILLE PORT CHARLOTTE PORT SAINT LUCI GAINESVILLE DELAND	11333333333333333333333333333333333333		995595328738239333398437297798943899734 95560668318553954562437169947240475041227	9264495 4452-44395 7-04495 4452-81559 2264-43350-642639 55430-55430-55430-55430-55430-55430-55430-55430-55430-55430-55430-55430-55550-5644-30555550-5644-305555550-5644-305555555-5677-5644-30555555-5677-5644-3055555-5677-5644-305555-5677-5644-305555-5677-5644-305555-5677-5644-305555-5677-5644-305555-5677-5644-305555-5677-5644-30555-5677-5644-30555-5677-5644-30
FL FL FL FL	DURBY, BRUCE A DIRHAN, LOUIS A *AL* WALSH, JASON H ANDREWS, DENNIS M HALSELL, WILLIAM B COLEY, RUSSELL J	7839 NE 21ST PL P.O. BOX 358 7806 NW 71ST AVE 1322 BARRANCA AVENUE 127 TOLEDO PLACE 726 GREEN_CT	HIGH SPRINGS CRYSTAL RIVER TAMARAC SPRING HILL PANAMA CITY BEA KISSIMMEE	32643 34423 33321 34609 32413 34759		352 352 954 352 850 407	275-6633 464-4735 326-2725 585-7750 896-1266 346-1325
FL	SWAKIZ, WAYNE A	18090 WINTERGARDEN AVE	PORT CHARLOTTE	33948		941	769-6026

Page - . . . 8 Date - . 1/01/2011

	Date :12/30/10 Distributor Name	Address	City	Zip Code	Area Code	Phone Number
- - FFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFF	LOPEZ, JAIME H SMITH, THOMAS M VESELOV, ALEKSEY CURNES, DAVID A AULD, ROBERT BRAME, HERMAN LAURETANO, ANTHONY SCHINN, LARRY TUCKER. SHERMAN HARRIHAN, ALAN CASTRO, GERALD WEINBERG, DAVID A MAHOOD, TIMOTHY A HEINZ. GARY J D'ALCONZO, JASON C SLOCUM, DONALD E GAMEZ, IVAN SUNDBERG, ANDREW TALLET, FIDEL *PEPE* DIAZ, FERNANDO A DYMOND II, HARRY *JAY* VALANCY, STEVEN N GLOWER, CHARLES *ALLEN* HASTON, GARY L WALLIN, ANDERS E BUCCI, ERNEST J BAILEY, DONALD L LENTZ, BRIAN D THULIN, JOHN *CHIP* PARKS, ROBERT *BOB* JOSEPHSON, DOUG A RAMIREZ, JOEL	17230 NW 77TH CT 518 SONOMA DR 144 VICTORIAN LANE 806 JADESTONE CIRCLE 244 VALENCIA BLVD 5575 62ND AVE 7755 150TH LANE N 5355 SCATTERED OAKS CT 6951A VICKIE CR 91063 FIDDLER DR 6327 RAVENWOOD DR 1548 S MISSOURI AVE 7246 CHERRY PASS 9811 HAWK RIDGE RD 3706 POND VIEW LANE 19300 SW 36TH ST 7955 NW 171 ST 10220 GROVE LANE 1279 SW 15TH ST 3140 SW 120TH RD 17630 JEFFERSON ST 10170 ALLEGRO 3029 KILLEARN POINT CT 5001 CHANOELLE DR 14400 BALD EAGLE DR 2890 MANDARIN MEADOWS DR 1502 SE US HIGHWAY 301 1440 CORAL RIDGE DR 190 COUNTY RD 35 16280 OKEECHOBEE BLVD 10872 TAHORON 161 SOUTHEAST 7TH AVE 37 ZONAL GERAINIUM TRAIL	HIALEAH VALRICO JUPITER ORLANDO LARGO PINELLAS PARK PALM BEACH GARD JACKSONVILLE WEST MELBOURNE FERNANDINA BCH SARASOTA CLEARWATER OCALA TALLAHASSEE SARASOTA DUNNELLON HIALEAH COOPER CITY BOCA RATON MIAMI OAKLAND BOCA RATON TALLAHASSEE PENSACOLA FORT MYERS JACKSONVILLE HAWTHORNE CORAL SPRINGS BUNNELL LOXAHATCHEE BOCA RATON HIALEAH COAST	33015 33594 33458 32828 33770 33781 33418 32258 32904 32034 34243 34243 34243 34235 34431 33015 33486 33175 33486 33175 33486 32312 34235 34431 33015 3312 34235 34431	78131777114417720112544772711441772011254421100093558550993558550935585509355855093558550935585509355855093558550935585509355855093558550935585509355855093558550935585509355855093558550935550935585095959595959595959595959595959595959	380-3949 5D4-0556 504-3871 448-7010 585-9991 2609424 956-2010 277-8000 351-6876 409-3191 362-6797 893-4618 954-8009 465-2148 825-1063 434-5424 221-6044 227-8750 479-4690 894-5439 341-1336 768-0368 334-7953 479-4690 894-5439 341-1336 768-0368 334-7959 894-5611 931-8175 252-8358 470-9792 828-95926
	State Count: 78					
G G A A A A A A A A A A A A A A A A A A	TOWNSEND, DALE NORTH, CHRISTOPHER DAVIDSON, JEREMY R BLANKINSHIP, BARRY D DAVIDSON, SAM L SHAY, JOE T JR JACKSON, THOMAS S BENNETT, JAMES D *DOUG* MORGAN, JAIME L WINSTEL, JONATHAN P KENNEDY, HERBERT *SHANE* METCALF, SAM A MAURER, MICHAEL 6 BRANNIES, RICHARD W	7335 NOB HILL DRIVE 195 MARCELLA AVE 64 DELRAY CIRCLE 155 MOORE ROAD 13045 HAMILTON ROAD 22 LATIMER LANE 3626 LAKESHORE DRIVE 3350 LONGFIELD DRIVE 324 HIRAM LANE 2955 SUMMIT LANE 267 CYRIL P BURKHALTER RD 207 KINGS CREST BLVD 1505 BRIERSCHUTE 1135 STILLWELL-CLYO RD	MACON SHARPSBURG NEWNAN VILLA RICA PALMETTO CARTERSVILLE AUGUSTA SNELLVILLE CLAYTON MONROE GLENNVILLE PERRY ALPHARETTA SPRINGFIELD	31216 30277 30265 30180 30268 30121 30907 30039 30525 30655 30427 31069 30004 31329	478 770 770 770 770 706 678 706 678 912 478 404	747-4183 253-8987 304-9249 459-5882 463-2485 516-8134 284-5749 717-8521 49D-0160 940-4402 237-1056 396-4261 429-9393 657-6812

Page - . . . . 9 Date - . 1/01/2011

Run Date :12/30710

	Date :12/30710 Distributor Name	Address	City	Zip Code	Area Code	Phone Number
——————————————————————————————————————	HEATON, MICHAEL P KOEHN, JAMES S SINGLETON, MICHAEL J VAZQUEZ. ENRIQUE *HENRY* ROWLAND, RUSSELL *JACK RO CATO, LAWRENCE "MITCH" PARKER, LESLIE *WAYNE* GAUNDER, CHRISTOPHER M GALLAWAY, JEFFREY L MARQUEZ, JOSE *ALEX MARQU ALLEN, MATTHEW D HAMBRICK, BARRY W TANNER, RICHARD D SHEPHERD, JAMES JR *JIM* WORTMAN, WESLEY R KUFFREY, GEOFFREY GOEN. CHARLES CROSSWAY, DONALD HALABY, SCOTT CAMP, D ALAN RASCH, RANDON M CAMPBELL, WALTER S 5IDWELL, R STEVE JONES, SCOTT E GOSSETT, DANIEL A ROBERG, STEVEN R EDWARDS, ROBERT L GRANBY, STEVEN C MICKLE, WALTER *KEVIN* KEESLER, WILLIAM *BILL* DAVIS, RICKY D ALLEN, DAVID FARESE, JOSEPH GREGORY, STEVEN R GILLHAN, JOHN A CAPRARO, RICHARD M *RICK* CALDON, GEORGE J KING, ROBERT C WEST, LEROY M JR	617 CARRINGTON RIDGE 786 OAK RIDGE COURT 110 SLAPPY DR 3630 ELINBURG DR 235 ROLLINGWOOD DR 478 HENDON ROAD 3780 JONES CREEK DR 427 DOCKSIDE COVE 1065 ASHFORD CHASE COURT 1835 TIMOTHY DR. NE 7728 SOARING EAGLE DR 2199 NARROWAY CHURCH CIRC 7974 MACARTHUR LANE 1593 PATES CREEK RO 369 CENTURY STATION DR 4804 ANNISTOWN ROAD 4851 WRIGHTSBORO ROAD 2733 STANLEY MAXWELL RD 803 MARBROOK DR 4190 HURT BRIDGE RD 532 BILL WATKINS ROAD 210 MORNING GLORY RIDGE 14 SILVERMONT DR SE 3228 WARREN CREEK DR 522 BRADFORD PLACE COURT 10 PERRY RD 35 BARRY DR 5331 AMBER COVE WAY 807 CAMBRIDGE CREEK DR 27 ANN RD 56 LEE ROAD SE 85 HICKORY BRANCH DR 575 SAINT REGIS LANE 95 FIVE OAKS DR 4024 HOLCOMB CREEK DR	STOCKBRIDGE LAWRENCEVILLE HAMILTON BUFORD ATHENS WOODSTOCK BUFORD WOODSTOCK MACON ATLANTA FLOWERY BRANCH DALLAS VALDOSTA STOCKBRIDGE ROSSVILLE STONE MOUNTAIN GROVETOWN BOWMAN LAWRENCEVILLE CUMMING HOSCHTON CANTON SILVER CREEK HIRAM LOGANVILLE BLOOMINGDALE FORSYTH FLOWERY BRANCH CONYERS CARTERSVILLE ACWORTH ALPHARETTA COVINGTON BUFORD	30281 30044 31811 30519 300188 30189 30189 30189 30189 30180 30180 30181 30281 30281 30281 30281 30081	77064 77064 77064 77064 77064 77064 77066 77706 77777 77777 77777 77777 77777 77777 7777	491-0461 289-44416 289-44416 332-44416 6617-3642* 8190NE**58683 7193-385959 9913-385959 99287-75209 6287-75209 99287-75209 99387-75209 8419-4653 8
GA GA GA GA	CAPRARO, RICHARD M *RICK* CALDON, GEORGE J KING, ROBERT C WEST. LEROY M JR	617 MAGNOLIA ST 500 CAMBER WOODS DR 4450 INDIAN TRACE DR 9325 WHITFIELD AVE	VILLA RICA ROSWELL ALPHARETTA SAVANNAH	30180 30076 30004 31406	404 678 404 912	550 - 4170 698 - 4519 915 - 9350 354 - 9119
	State Count: 53					
HI HI HI HI HI HI	DAFANG, JOVENCIO *JOE* CANON, ALBERT D *DINO* ABALOS, ROBERT D ALABAB, TONY JR ITAKURA, MILES E TOMIHAMA, RDY S JR LIPPERT, TONY H RAGUDOS, GUILLERMO S *JOS	91-1662 KAUKOLU STREET 91-1512 KEONEKAPU ST 522 POHAI ST 118 WEST PAPA AVE PO BOX 610 95-213 KUAHAUA PL 1617 MONTE ST 98-687 EWELANI ST	EWA BEACH EWA BEACH KAHULUI KAHULUI KALAHEO MILILANI HONOLULU AIEA	96706 96706 96732 96732 96741 96789 96819 96701	808 808 808 808 808 808 808	216-6574 778-6099 877-6688 778-6633 551-9460 222-5941 352-4003 388-3878

Run Date :12/30/10

Page · . . . 10 Date · . 1/01/2011 NMTC. Inc. d/b/a Mateo Tools Active Distributors By State for 2010

State	Distributor Name	Address	City	Zip Code	Area Code	Phone Number
HI HI	Distributor Name  NAKAOKA, CURTIS Y SEXTON, RUSSELL D	73-4369 LAUI ST 95-1060 HAALILO ST	KAILUA KONA MILILANI	96740 96789	808 808	329-1145 626-7140
	State Count: 10					
I A I A I A I A I A I A I A I A I A I A	State Count: 10  STOUT, DONOVAN K BUCHMEYER, MARCUS Q ANDERSON, AARON P PEARSON. NATHAN E JOHNSON. GREGORY COATES, ERIC A PHILEBAR, KEVIN J STEFFENSMEIER, LISA *BRAN MENTZER, SCOTT L MAY, MARK E *JARREN HALST WAGNER, RONALD D TJEPKES, KEVIN L SAMMONS, CASEY J GRUSS, ANTHONY S CATTELL, DENNIS VANDEVOORDE, JOHN W BRUESS, DUANE C CAFFREY, BOB J MAY, MARK E ROTH, KEVIN M  State Count: 20	106 REDBUD LANE 1674 HIGHWAY 30 498 NORTH 8TH ST PO BOX 34 2748 NW 75TH PLACE 165 PRINCETON PL 26821 FRICHER RD 1817 385TH AVE 21063 ERBE ST 945 202 AVE 2719 BRUNSKILL RD 1340 ORIOLE AVE 22133 120TH AVE 22133 120TH AVE 225 NW 50TH PLACE 67 NE 72ND ST 5154 NORWOOD DR 400 4TH STREET 2440 NEWPORT SW 945 202ND AVE 1002 7TH ST	COUNCIL BLUFFS CALAMUS LE CLAIRE CENTRAL CITY ANKENY DUBUQUE SILVER CITY BROOKLYN CARLISLE PELLA DUBUQUE SIBLEY DELTA DES MOINES PLEASANT HILL BETTENOORF DEEP RIVER CEDAR RAPIDS PELLA SHELDON	51503 52729 52753 52214 50021 52001 51241 50047 50219 52003 51249 52550 50313 50327 52722 52222 52404 50219 51201	712 563 515 515 515 712 9215 541 515 5163 641 641 712	323 - 6877 210 - 8831 340 - 5258 521 - 1069 289 - 1839 513 - 7510 242 - 8594 249 - 0554 2971 - 3735 990 - 2946 590 - 9889 461 - 2823 799 - 6310 314 - 4713 2518 - 7125 508 - 1255 596 - 2782 369 - 0916 628 - 1186 324 - 4587
ID ID ID ID ID ID	STURHAN, ROBERT D BOLL, JONATHAN A JENSEN, SHANE BEAN, NOEL BARBER, PHILIP M HARPER, WILLIAM A JENSEN, PAUL W	12262 IOWA AVE 1032 E 1200 N 1900 N MCDERMOTT RD 11615 N CHASE 4345 HENDERSON LN 479 EAST KING RD 539 E 700 N	NAMPA SHELLEY KUNA RATHDRUM POCATELLO KUNA FIRTH	83686 83274 83634 83858 83202 83634 83236	208 208 208 208 208 208 208 208	830-5243 520-1649 861-7048 687-5581 238-0243 863-4873 346-4310
	State Count: 7					
IL IL IL IL IL IL IL IL	THURMAN, ROBERT F BLIVEN, STEPHEN A MARKHAM. SETH R GOLEBIEWSKI. KRZYSZTOF KRAGE. KEVIN W ZAHARIAS. THOMAS M FUCHS. MICHAEL P PETROVICH, ART HOLER, JOHN E BERGMAN, KEVIN R *CHRIS W ANDRINOPOULOS. ARTIE SHERRICK, CLARENCE *CHRIS	5020 E RICHLAND AVENUE 403 W. SHERIDAN 3610 MAPLE 29 W 280 MARK DRIVE 42W 721 STILLMEADOWS LANE 1482 WOODSCREEK CIRCLE 4240 PEARTREE DRIVE 7000 GOLFVIEW OR 473 VERRETT STREET 1433 RIVERBEND 10N933 HIGHLAND TR 113 N MAPLE	CHILLCOTHE PETERSBURG BERWYN NAPERVILLE ELBURN CRYSTAL LAKE LAKE IN THE HIL COUNTRYSIDE ELMHURST WHITE HEATH HAMPSHIRE MT PROSPECT	61523 62675 60402 60564 60119 60014 60156 60525 60126 61884 60140 60056	309 217 708 630 630 815 847 708 630 217 630 847	274 - 4109 484 - 7469 484 - 5473 922 - 1913 365 - 5573 479 - 1075 854 - 6410 853 - 0093 832 - 2911 778 - 2200 774 - 9326 610 - 0918

Page · . . . 11 Date · . 1/01/2011

	n Date :12/30/10			7	Area Phone	
	e Distributor Name	Address	City 	21p Cod	e Code Number	
ΙL	NAWROT. GREG P THOMAS, MICHAEL A FRIESNER, SCOTT E *ERIC* MORES, ANTHONY J TANNER, FRED H JR SLATER, JASON T DEWAR, STEVEN W BRANDON, DAVID G JR STEFFENHAGEN, WILLIAM J SUAREZ, ARMANDO JR REICHEL, JACK A SCALPONE, VINCENT HUBBLE, DAVID E GRIFFITH, KEITH A *ALAN* BRUNO, DOMINICK A STRAWSER, ROBERT M THATER, ROBERT G KANAREK, MICHAEL R WILLIS, DAVID M MCNEIL, TIM P KLOEMPKEN, WILLIAM E GELUSHIA, BRAD W GRIBAUDO, DANIEL O SCHMITT, JOHN M COCKREAM, JEFFREY A HAYES, THOMAS C KRAUSE, RICHARD D BLUETT, MICHAEL J KATZ, JERRY L BRIGHT, DOUGLAS NEWMAN, ALAN GOODALIS, THOMAS NANCE, ROGER CHIOVARI, JOSEPH- ROJEK, CHRISTOPHER BERGMAN, KEVIN WOLFE JOHN NORKUS, JOHN ORTS, ANTHONY DENTON, ROBERT ROJHON, STEVE HASTINGS, GERALD WALTER, ANDREW KASTNER, ANDREW KASTNER, ANDREW KASTNER, ANDREW KASTNER, ANDREW KASTNER, ANDREW PERRIN, THOMAS KACIR, RONALD HAZELWOOD, GARY DAEMICKE, PAUL DAWSON, RICKY E	9N712 SANTA FE TRAIL	ELGIN	60123	815 505-4864	
ĪΓ	THOMAS, MICHAEL A	635 ROCHDALE CIRCLE	LOMBARD	60148	630 935-1116	
ΪĻ	FRIESNER, SCOTT E *ERIC*	1454 E 2900 NORTH RD	MOWEAQUA	62550	217 433-3080	
IL IL	MUKES, ANIHUNY J	270 TIMBER RIDGE COURT	JOLIET	60431	815 474-46/4	
ĬĹ	IANNEK, FRED A JK SLATED IASAN T	8/38 REZY RUAD	NEW DOUGLAS	61242	200 214 0621	
İĹ	NEWAR STEVEN W	10201 DINESAD DIACE	DOSCOE	61073	915 970-3697	
İĹ	BRANDON DAVID G JR	204 TOWNE ST	MODETEON	61270	815 499-3138	
ĬĹ	STEFFENHAGEN, WILLIAM J	5707 LANDCASTER CR	MCHENRY	60050	847 264-0302	
ΙL	SUAREZ, ARMANDO JR	19598 M MARTIN OR	MUNDELEIN	60060	224 595-2269	
ΙL	REICHEL, JACK A	4235 W 151ST ST	MIDLOTHIAN	60445	708 539-9138	
ĨĻ	SCALPONE, VINCENT	35 S SOUTH ELGIN BLVD	SOUTH ELGIN	60177	630 667-5886	
I L I L	HUBBLE, DAVID E	205 SOUTHGATE DR	RELLEVILLE	62223	618 604-4/68	
ĬĹ	BRIENT DOMINICK A "ALAN"	ZU/ W ADAMS	AILANIA Villa dadk	60181	21/ /50-1100	
İĹ	STRAWSER ROBERT M	661 OVERTURE WAY	ROSCOF	61073	815 914-5572	
ĬĹ	THATER, ROBERT G	506 SOUTHWOOD CIRCLE	STEAMWOOD	60107	630 885-3041	
ΙL	KANAREK, MICHAEL R	659 ROCHDALE CIRCLE	LOMBARD	60148	847 436-7162	
ΙL	WILLIS, DAVID M	PO BOX 3691	OUINCY	62305	217 971-6246	
ĮĹ	MCNEIL, TIM P	359 OAKLAWN	ELMHURST	60126	708 997-6394	
IL IL	KLUEMPKEN, WILLIAM E	215 PINEWOOD OR	GUDFREY	52035	518 805-835/	
İĹ	GRIBALIDO DANTEL O	2724 N 75TH CT	ELMMUUU DABK	60707	708 557.4686	
ĨĹ	SCHMITT, JOHN M	8434 MENDINGWALL DR	WOODRIDGE	60517	630 432-4795	
ΙL	COCKREAM, JEFFREY T	606 MAIN ST	MAZON	60444	815 412-4559	
ΙL	HUBRICH, JEFFREY A	507 E CHERRY ST	LEROY	61752	309 531-0534	
ΪĻ	HAYES, THOMAS C	1894 GROVE AVENUE	SCHAUM6URG	60193	630 721-5588	
IL IL	KRAUSE, RICHARD D	20974 WALTON RD	WILMINGTON	60481	630 546-2602	
ΙĹ	PLUEII, MIGHAEL J	100E W DICKELMAN AVE	FUX LAKE	62401	224 243-0000	
ÎĹ	BRIGHT DOUGLAS	1100 W RICKELMAN AVE	EFFINGRAM MONTICELLO	61256	217 343-4240	
ĬĹ	NEWMAN. ALAN	10129 LAWRENCE COURT	OAKLAWN	60453	708 4227395	
ΙL	GOODALIS, THOMAS	1263 LEVERENZ RD	NAPERVILLE	60564	630 5270675	
ΙL	NANCE, ROGER	3267 SAND ROAD	EDWARDSVILLE	62025	618 6550595	
IL IL	CHIOVARI, JOSEPH	1105 NORTH WHEATON AVE	WHEATON	60187	630 6657846	
ĬĹ	REDEMAN KEVIN	12663 MARIINGALE	HOMER GLEN	60491	708 3014565	
ÎĹ	WOLEE JOHN	12040 S WOLEE DD	MUTIE HEVIU	60585	700 542 3506	
ĬĹ	NORKUS. JOHN	7N 305 BLUESTEM CT	ST CHARLES	60175	630 5841988	
ΙL	ORTS, ANTHONY	1000B ROUTE 25	OSWEGO	60543	630 966-2630	
ĪΓ	DENTON, ROBERT	2 FALCON RIDGE COURT	ALGONQUIN	60102	847 8548776	
ΙL	ROZHON, STEVE	13514 W HAGGARD	HOMER GLEN	60491 .	708 3018945	
IL IL	MALTED ANDDEW	3832 W 109TH PLACE	CHICAGO	60655	773 206 8454	
İĹ	KASTNER ANDREW	10313 LUKETTA UK	MAKENGU	60152 60136	815 923-2056	
ĬĹ	PERRIN, THOMAS	8440 W SOTH STREET	MCCOOK	60525	708 200.5042	
ΙL	KACIR, RONALD	23500 FARMDALE RD	WASHINGTON	61571	309 699-1996	
ĬĻ	HAZELWOOD, GARY	316 CROPSEY AVENUE	DIXON	61021	815 288-2363	
IL IL	DALMICKE, PAUL	1647 CAROL STREET	DOWNERS GROVE	60515	630 417-2693	
1 L	DAMSON, KICKI E	20 WEST 066 99TH ST	LEMDNI	60439	630 783-8402	

Page - . . . 12 Date - . 1/01/2011

State	Date :12/30/10 Distributor Name	Address	City	Zip Code	Area Code	Phone Number
	DANIELS, JACK TUOHY, MICHAEL BERGMAN, AARON S WILSON, MIKE FREUND, ROBERT *HIKE* MENOZI, MARK C ENGELMANN, ERIC D LESZCZYSZYN, MARK J NYLEN, BRIAN VOYLES, KEITH E BORCHARDT, ROB HECKER, DANIEL R ROY, MICHAEL H STERNBERG, ARTHUR R SMITH, TONY *TJ* STERLING, SALLY STARBUCK, ERIK A DEUTSCH, CHARLES P ANGELETOS, EMANUEL OTTE, BRETT T State Count: 82	175 NOTTINGHAM LANE 137 AUGUSTA DR. 200 N LOGAN 522 CONSTANZO LANE 1136 PINE TREE LANE 3720 PRAIRIE LANE 2043 BALDWIN RD 231 CUMHINGS DR 810 JOANNE DR 111 N BERTEAU AVE 1231 ORCHARD AVE 2213 STEINKOENIG SCHOOL R 8904 S MOODY 701 GREENVIEW AVE 29085 MECHLING LANE 822 OTTO ROAD 29 W 526 WINCHESTER CR S 205 OSAGE ST 310 WARWICK LANE PO BOX 644	BOURBONNAIS GILBERTS EMDEN BETHALTO LIBERTYVILLE MORRIS JACKSONVILLE BARTLETT MINOOKA BARTLETT CHICAGO HEIGHTS HIGHLAND OAK LAWN DES PLAINES ROCK FALLS MACHESNEY PARK WARRENVILLE MINOOKA LAKE IN THE HIL MONTGOMERY	60914 60136 62535 62010 60048 60450 62650 60103 60103 50411 62249 50453 60016 61115 60555 60447 60156 60538	815 847 2118 847 815 217 845 708 815 630 815 815 847 815 830	939-1620 697-9383 376-3870 377-0351 680-4685 353-2372 899-6207 202-6178 483-8736 754-2562 654-1357 642-1233 298-2768 622-0462 622-0462 623-6173 685-0075 669-8086 212-7685
	State Count: 82					
	State Count: 82  GIVENS, STEVE WILSON, TERRY J OTTE, GEORGE A WEIR, KEVIN R DREWS, DEAN M THORNE, TODD A ROST, PAUL E JR TOWER, TIMOTHY D BONEBRAKE, CLARK OLSON, RONALD J YODER, RICHARD L YODER, DAVID L HOFFMAN, DREW A ALLEN, MICHAEL GUILFOYLE, PAUL R *RICK* GRAF, DAVID R SMITH, STEVEN R GIUFFRE, MARK COOPER, MARVIN W *WAYNE* REINHARDT, MICHAEL J OURY, DONALD J GOODPASTER, DARRELL G BURES, TONY A CHRZAN, MICHAEL J CLUELOW, HARRY LIVRONE, DAVID	5920 SOUTH 425 WEST 1559 MORTON STREET 1196 DARCI'S DRIVE 2106 N DIXON ROAD 15218 HIDDEN OAKS RUN 12022 PEBBLEBROOK LANE 15698 LIN RD 345 N WOLF RD 10018 E 131ST STREET 6495 GLENWOOD TRACE PO BOX 127 923 S 23RD STREET 17218 MCDUFFEE RD 5059 BENJAMIN RD 22433 ST MARTINS LN 51328 HARBOR RIDGE DR 1707 MIMOSA LANE 11855 BUCK CREEK CIRCLE 500 N MERIDIAN ST 20 ELM DRIVE 4348 EAST 102ND AVE 16435 LINCOLN HWY 8486 N 100 W 809 N DIVISION ST 63765 THORN RD 12002 LANTERN RD 65322 STATE RD 331	PENDLETON NOBLESVILLE SEYMOUR KOKOMO HUNTERTOWN CARMEL FORTVILLE COLUMBIA CITY FISHERS ZIONSVILLE WAKARUSA SOUTH BEND CHURUBUSCO TERRE HAUTE GUILFORD GRANGER ANDERSON NOBLESVILLE PITTS5ORO PLAINFIELD CROWN POINT NEW HAVEN FOUNTAINTOWN BRISTOL NORTH LIBERTY FISHERS BREMEN	46064 45060 47274 46901 46748 46033 46725 46038 46077 46573 46615 46723 47802 47802 47802 47802 46167 46168 46167 46168 46307 46168 46307 46554 46038 46038	765 317 260 317 317 317 574 574 5765 5765 7657 317 219 2317 574 574 574 574 574	378-0590 776-0758 525-2759 438-0997 452-8871 341-1090 440-8155 610-4409 845-3451 503-1563 354-2646 252-9827 515-3525 234-5701 652-3249 344-6437 623-9741 749-3260 370-9493 413-09167 656-9055 445-1621 6334431

Page - . . . 13 Date - . 1/01/2011

	Run	Date :12/30/10	Address	044	7:- Codo	Area	Phone
-	State	Distributor Name		(1ty 		Lode	
		SOBOTA, CHRISTOPHE HOLDMANN, CHUCK A DENNIS, MARK D YOUNG, JAMES A *JIM* HARRIS, ROBERT R HAMILTON. GROVER GUTIERREZ. JOSEPH G RILEY, MICHAEL K HAGAN, DEAN A ACKERMAN, CRAIG L WAKEFIELD. CHARLES R BEEDLE, WILLIAM B	3544 42ND STREET 4283 W 153RD AVE 7207N CR200W 10035 N TURKEY CREEK 702 994 E LEVILEE RD 4341 W CARMOLA DR 5767 ROOSEVELT PL 6209 GRANNER DR 2067 W COUNTY RD 725 N 11500 NADORFF RD 2920 E 750 S 763 JUNIPER RD	HIGHLAND CROWN POINT LIZTON SYRACUSE WARSAW BLOOMINGTON MERRILLVILLE INDIANAPOLIS LIZTON GREENVILLE CLAYTON VALPARAISO	46322 46307 46149 46567 46582 47404 46410 46221 46149 47124 46118 46385	219 219 317 574 574 812 219 317 317 812 317 219	682 - 7665 696 - 1565 994 - 5092 518 - 1668 453 - 9424 876 - 8559 884 - 7545 509 - 6425 994 - 5376 923 - 9235 539 - 7621 759 - 1246
		State Count: 39			•		
	K K K K K K K K K K K K K K K K K K K	RIEDEL, ROGER E JONES, STEVEN L YOST, TREVOR N GUNELSON. JEFFREY S WILLMON, JOHN T JR CAMERLINCK, BRENT WALTERS, LAYNE W JEFFRIES, JOE T HAUFLER, ERNEST C *ERNIE* DUERKSEN, LUETTA A *JAMES GROSSMAN. JASON T SCHROEDER-DAHLSTEN, CAROL CROSS, KENNETH W MUTH, STEVEN AHRENS, JOHN LUMM, DAVID	PO BOX 724 11228 VALLEY HI COURT 771 E 1485 ROAD 724 W WALNUT STREET 9705 W 49TH PLACE 10399 BARTON RD 12808 S WIDMER 17423 SW OHIO ST 7006 SE 89TH ST 831 SOUTH ERIE 2206 MYRTLEWOOD CT 1444 DOVER RD 201 E KEY 1546 BACHTOLD 15410 LAKE RD 10 318 N 2ND ST	TONGANOXIE WICHITA LAWRENCE SALINA MERRIAM LEONARDVILLE OLATHE DOUGLASS BERRYTON WICHITA DERBY MCPHERSON SALINA SALINA GARDNER INDEPENDENCE	66086 67209 66045 67401 66203 66449 66062 67039 66409 67211 67037 67460 67401 67401 66030 67301	913 316 785 785 913 785 913 316 316 620 785 785 913 620	432-7941 640-9900 760-3541 643-5019 634-8893 313-0172 961-3255 651-7473 851-7473 851-7473 8258-7929 304-3771 241-6257 820-0452 452-8547 488-8665 331-7772
		State Count: 16					
	K Y K Y K Y K Y K Y K Y K Y K Y K Y K Y	ROBINSON. PATRICK PARKER. BRIAN K BURDETTE. RICK O WETZEL, JACK A GOINS, WILLIAM *TONY* MARTIN. JOHN R SULLIVAN. JOHN C SIMPSON, BRIAN W HARP, JOHN D CORNETT, RONNIE E HAMBY. PAUL R HOBBS. PHILIP L MORGAN, PRESTON R CONLEY, WILLIAM *ED* EMBRY, BARRY L WALKER, JEFFERY K	151 SYCAMORE DRIVE 878 MAHER ROAD 3614 ECHO VALLEY CIRCLE 705 VICTORIA PLACE 1233 BRIGHTLEAF BLVD 4273 KNOB CREEK RD 3470 YODER TJPTON RD 2120 DEATSVILLE RD 729 FLINT RD 1142 CANNONBALL WAY 6306 HWY 26 164 CRESCENT VIEW DR 155 MONROE RD 1858 S STATE HGWY 207 1318 CHERRY LANE 8 KYLES LANE	LANCASTER WALTON LA GRANGE LOUISVILLE ERLANGER BROOKS TAYLORSVILLE SHEPHERDSVILLE WACO INDEPENDENCE ROCKHOLDS SHEPHERDSVILLE CALVERT CITY RUSH BEAVER DAM FT THOMAS	40444 41094 40031 40207 41018 40109 40071 40165 40385 410759 40165 42029 41168 42320 41075	85992299222995555555652706079	584 - 2322 743 - 2247 338 - 7248 287 - 8888 727 - 3116 381 - 1954 396 - 9008 609 - 5285 568 - 6115 760 - 9868 260 - 1685 296 - 3638 898 - 3030 474 - 9037 274 - 9708 441 - 7148

Page - . . . 14 Date - . 1/01/2011

	Date :12/30/10 Distributor Name	Address	City	Zip Code	Code	Phone Number
KY KY KY	GRIVOIS, DANIEL J HATFIELD, DAVID F CRUMP, TRUITT K	8121 AVANTI WAY 1621 WASHINGTON BLVD 7615 ROCKWELL RD				
	C					
LA LA LA LA LA LA LA	BELAIRE, DARIN K NICHOLS, RICKY D MCWILLIAMS, CLAYTON J FREEMAN, JOHNNY R FREEMAN, JESSE M LEWIS, ALAN L FALCON, HERSHEL HERNDON, ANTHONY *CRAIG* WARREN, EDDIE B AYO, SHANE G MURRAY, MICHAEL S	3734 PARKER ROAD 25558 PLANTATION AVE 212 CALCASIEU LOOP 366 JEFF TIDWELL RD 122 ASHFORD LANE 15 EMILE AVE 14416 COTTINGHAM COURT 4609 HWY 14 PO BOX 2211 971 HIGHWAY 20 3552 ST RAPHAEL LANE	SULPHUR DENHAH SPRINGS LEESVILLE DOWNSVILLE YOUNGVILLE KENNER BATON ROUGE NEW IBERIA DENHAM SPRINGS THIBODAUX SULPHUR	70663 70726 71446 71234 70592 70065 70817 70560 70727 70301 70663	409 225 337 318 337 504 225 337 225 985 337	363-2304 485-7231 208-6511 348-2572 349-0068 275-9302 752-2695 560-5324 938-6804 637-7882 527-9048
	State Count: 11					
MAAAAAAAAAAAAAAAAAAAAAA	BROOM, DOUG ALLEN, MATTHEW C HICKS, WILLIAM J KRAIN, GREGORY J WHITNEY, MICHAEL G CROSBY, MICHAEL J WOSKIE, DAVID F DUFFY, KERRY SMITH, ROBERT H GILLIS, ED LUKE, JAMES FIELDS, DAVID FERNALD, DANA E MURPHY, PAUL F JOHNSON, DAVID S MURPHY, CRAIG J	175 SCANTIC RO 225 ADAMS RD 16 HERRICK RD 81 WAVERLY STREET 42 CORAL RD 3 GEORGE ST 28 LELAND HILL RD 57 BENNETT RD 2 BAYVIEW AVE 70 FAYMORE DRIVE 23 MACKINTOSH ST 21 RACE COURSE RD 2 PARKHURST DRIVE 121 FULLER STREET 11 REDCOAT LANE 1125 THORNOIKE ST	HAMPDEN EAST BROOKFIELO BLANDFORD ARLINGTON SPRINGFIELD PLYMOUTH SOUTH GRAFTON MARBLEHEAD BERKLEY AGAWAM FRANKLIN LAKEVILLE LAKEVILLE MIDDLEBORO LEXINGTON PALMER	01036 01515 01008 02476 01118 02360 01560 01945 02779 01001 02038 02347 02347 02346 02420 01069	413 774 413 781 413 508 774 7818 508 781 508 781	566 - 2239 696 - 6283 427 - 8790 850 - 6180 563 - 4299 889 - 3403 312 - 5266 854 - 6259 8247736 7866261 760 - 0837 400 - 6385 947 - 8024 946 - 1302 863 - 5421 283 - 4775
MD MD MD MD MD MD MD MD MD	PEAY, WILLIAM *DAVE* KIDD, JEFFREY A HAMMOND, NOAH Z ALT, DUDLEY F *DOUG* CANIGLIA. ANTONIO E ALBERTSON. SCOTT M PESSAGNO. MARTIN T SCHWEITZER.JESSICA M *BRI AMEREIHN, WILLIAM A GROVES. DEBORAH E *ERNEST ROARK, TROY	695 VERDA LANE 603 WALKER ST 512 LOCUST AVE 13 CRESTVIEW GARTH 2045 ROLLING KNOLLS COURT 17738 JENNIFER LANE 2115 OLIVER DR 7802 W B & A RD 2504 PUTTY HILL AVENUE 110 TRENT HALL CT. A 18 GROUND PINE PATH	HUNTINGTOWN ABERDEEN WESTMINSTER BALTIMORE HUNTINGTON HAGERSTOWN PRINCE FREDERIC SEVERN PARKVILLE FRIENDSHIP ELKTON	20639 21001 21157 21237 20639 21740 20678 21144 21234 20758 21921	443 443 410 410 301 301 443 301 410 240 302	486-4737 528-2823 596-4815 404-6788 706-2831 908-3087 975-4510 529-9607 935-5895 229-7708 545-5118

Page - . . . 15 Date - . 1/01/2011

State	Date:12/30/10 Distributor Name	Address	City	Zip Code	Area Code	Phone Number
MD MO MO MD MD MD MD MD	BENJAMIN. HENRY *WAYNE* CORBETT, ROBERT LAYTON, JEFFREY DEBOE, STEVE HAITMANEK, KEVIN LAMBERT, ERICK WEICHERT, GEORGE JR PARR, DAVID MCKENNEY, BRIAN P BERMAN, BARRY E JANECZEK, EUGENE *BUTCH* KELLY, JOHN L CORBETT, JAMES J	15 CARTER RD 2706 PEMBERTON RIDGE 9943 MILA ST 17 HARWOOD DR 11006 POWERS AVENUE 2771 SWANN WAY 7929 OAKDALE AVE 1119 LITTLE MAGOTHY VIEW 1308 SPENCERVILLE RD PMB 393 AT UPS STORE 1736 DREXEL RD 4718 QUIMBY AVE 2195 BALTIMORE BLVD	RISING SUN BALDWIN DENTON HARWOOD COCKEYSVILLE DAVISONVILLE BALTIMORE ANNAPOLIS SPENCERVILLE WESTMINSTER OUOALK BELTSVILLE FINKSBURG	21911 21013 21629 20776 21035 21035 21237 21409 20868 21157 21222 20705 21048	410 410 301 410 410 410 410 301 410 301 410	688 - 2540 5578255 4799564 943 - 6477 628 - 2886 956 - 5767 780 - 9581 349 - 2083 476 - 9543 375 - 0066 477 - 2863 793 - 9264 876 - 3309
	State Count: 24					
ME ME ME ME	PAQUETTE, DONALD R SR GARMAN, SCOTT A WHEATON, RYAN D HINKLEY, JAMES W JR	8 F SANBORN RD 227 INDIAN RD 58 FIRST ST 57 8 HILL ST	SABATTUS WISCASSET WEST GARDINER SACO	04280 04578 04345 04072	207 207 207 207	375-7210 350-5753 615-1670 284-7663
	State Count: 4					
MI MI MI MI MI MI MI MI MI MI MI MI MI M	State Count: 4  FRENCH, MICHAEL A LOISELLE, ZACHARY T SCHIMELPFENIG, LOUIS E KNAPP, JODY A SNELL, DOUGLAS *DOUG* ZINK, JOSEPH A JR ZUBOR, JOHN P ATKINSON, JERRY R WARES, RYAN J CHOROBA, TIMOTHY P SPEDDIN6, DONALD 6 FRECHETTE, THOMAS H TRUDELL, BARRY M MADIGAN, KEVIN B COOK, GEORGE R MINNEY, LLOYD *CURT* MACHINSKY, RICHARD A KLUNGLE, GORDON A *SOLE M NYQUIST, TODD A HARTSOCK, GREGORY B MORAWA, STEPHEN L BISHOP, RONALD S LEARMAN, JEAN M *DENNIS L DANULOFF, ANDREW H STINSON, DAVID R PIETROWICZ, EDWIN J JR SNYDER, ROCKY L	11801 DOROTHA DRIVE 593 ANN STREET 9963 SCHOLAR DR 729 ALTA DALE 7473 PARADISE COURT 3220 CRESTHILL LANE 490 N 8 MILE RD 171 ROOD DR 604 MINNESOTA AVE 2767 BUTTERCUP CT 1008 IRWIN DR 8478 SEYMOUR RD 8690 MCCAIN RD 14810 TOEPFER 10801 SCONCEWOOD DR 1613 NEWCASTLE RD 2280 CARLETON WEST 4935 13 MILE RD 2830 FULLER AVE NE 10328 TIMBERLANE DR 19992 POLLYANNA 1671 70TH AVE 1425 DOVER PLACE 6910 KINGSLEY CIRCLE 8251 BRIARWOOD AVE	EATON RAPIDS PLYMOUTH PICKNEY ADA GRAND BLANC TRAVERSE CITY LAKE CITY CARO GLADSTONE HOWELL WATERFORD GAINES PARMA EASTPOINT LOWELL GROSSE POINTE W CARLETON ROCKFORD GRAND RAPIDS STANWOOD LIVONIA EVART SAGINAW DEXTER JENISON BELLAIRE	48827 48170 481691 493439 496551 487523 4988437 488437 488437 489436 499331 489331 489331 489331 489331 489331 489346 48153 48155	517 7344 6160 8231 99060 8134 8517 8516 6313 3616 2248 9946 231	282-3448 634-6898 878-9280 2404 2516-8783 392-1154 394-0362 670-9020 280-4240 216-3215 275-3064 812-8726 217-5415 540-3021 268-8936 446-3593 881-2494 679-1901 444-6877 250-7036 330-4283 3313-4680

Page - . . . 16 Date - . 1/01/2011

Run	Date :12/30/10		•				
State	Date :12/30/10 Distributor Name	Address	City	Zip Co	ode (	Area Code	Phone Number
MI MI MI MI MI MI MI MI MI MI MI MI MI M	LOVETT, ANTHONY A MCKENNA, TIMOTHY C BALL. ANDREW J BAKER, WILLIAM *BILL* GERAGOSIAN. GARY & RUTH PANKOW, MICHAEL WITHUN, GARY CONWAY. DENNIS SHIELDS, ROB CHAMBOS, NICK RAINKO, MARK E ZIEGLER, JOHN WHITLOCK, FRANK GREENHAN, CALVIN *SKIP* ZISKE, JOHN WAGNER, JOSEPH F BUCHANAN, DAVID J MCCONE, KEVIN S MINIKEY, TIMOTHY G RYAN, TIMOTHY C BRUSSEAU, JAMES O BESSOLO, BRENT R KINNUNEN, CHRISTOPHER S WOODWARD, LARRY K ATWELL, ROBERT C *B03*	2479 ALCOTT ST 2382 SUNNY CREEK ST SE 836 EAST RIVER DR 27983 HAAS RD 30500 BAYVIEW 59935 9 MILE RD 7081 T ERMINGER LANE 19935 HURON RIVER DRIVE 2929 HIDING PLACE 2373 MEADOW ST 17480 S NUNNELEY 9484 E VERMONTVILLE HWY 4542 WEBBER 2274 S VASSAR RD 27334 NEWPORT 2851 WIXOM RD 2424 CARLETON WEST 472 S WAVERLY 5584 STEVENSON RD 2120 GROVENBURG 2694 HESSEL 2780 WOODBINE 105 DEERVIEW TR	BURTON KENTWOODD L'ANSE WIXOM GIBRALTAR SOUTH LYON SOUTH LYON ROCKWOOD MILFORD FLUSHING CLINTON TOWNSHI DIMONDALE SAGINAW BURTON WARREN MILFORD CARLETON EATON RAPIDS SHERIDAN LANSING ROCHESTER WATERFORD MARQUETTE	48509 49508 49946 48933 48173 48178 48178 48173 48381 48035 48035 48601 48519 48601 48519 48088 48381 48117 48884 48911 48307 48328 49855	904	810 616 9448 7344 27348 7348 3517 9810 517 516 517 516 517 818 734 734 734 734 734 734 734 734 734 734	280 - 8817 889 - 4273 735 - 1273 437 - 7846 6769245 7758907 437 - 8939 3796428 6769622 87067199 6769622 7067199 6769623 771 - 9474 691 - 9563 771 - 6533 771 - 6533 765 - 4640 771 - 6533 694 - 5668 467 - 9522 682 - 8139 249 - 1720
MI MI	WOODWARD, LARRY K ATWELL, ROBERT C *B03*	14150 HARVEY LANE 5630 W MCNALLY	GRASS LAKE COLEMAN	48618		734 989	330-1354
**************************************	State Count: 52  DOYLE, LYNN D 6ABRELCIK, THOMAS A KRONHOLM, ANDREW J PEARSON, THOMAS A BLAIR, ADAM C FRYKMAN, LOUIS J NELSON, RICHARD G ARNDT, DALE R SAGER, DONALD D SPANIOL, ANDREW R HAUKOS, JEREMY A MCWILLIAMS, SCOT R PUFFE, DUSTIN M WILKE, KRISTOFER J *KRIS* BENSON, LUCAS N KLOETZKE, MARVIN HAYES, JOSEPH THORESDN, KRAIG RENS, JERALD WAHLBERG, WILLIAM D RESCH, JAMES MURCK, JOSEPH	11133 MADISON STREET NE 5801 4TH STREET NE 26229 PHEASANT RUN 11940 OREGON AVE N 48993 210TH ST 13850 62ND AVE N 32795 IRONUDOD DR PO BOX 7 3119 MAPLE LEAF COURT 9930 ABLE ST NE 242 1ST AVE NW 5293 BROOKS CIRCLE SE 18469 THOREN DR NW 305 N ASH 605 22NO AVE N 2415 LISBON AVENUE 314 N FOURTH STREET 5270 CEDAR AVE 4168 DEMPSEY AVE SW 2570 JACKSON ST PO BOX 1230 26283 MEADOWBROOK LANE	BLAINE FRIDLEY LINDSTROH CHAMPLIN MORRIS MAPLE GROVE ST JOSEPH COLOGNE LITTLE CANADA BLAINE ELBOW LAKE PRIOR LAKE SOLWAY PORTER ST CLOUD LAKE ELMO CALEDONIA DWATONNA WAVERLY LITTLE CANADA INTERNATIONAL F WINONA	55432 55432 555045 555045 555045 555045 555043 555043 555043 555062 5550	•	7651203 7651203 7651203 76512818187 765187 765187	767-6833 228-0914 248-0258 589-0121 213-9535 265-0900 484-7030 583-4417 810-4389 770-5845 434-3327 669-7962 458-3448 777-7641 7253622 458-3448 777-7641 7253622 4511910 6270-1128 2283-0845 454-1349

Page - . . . 17 Date - . 1/01/2011

Run State	Date :12/30/10 Distributor Name	Address	City	Zip Code	Area Code	Phone Number
MN MN MN MN MN MN	FELIX, TERRY L KORMENDY, CAROL E DAVIDSON, PATRICK A BAKER, JEFFREY JOHNSON, WAYNE L JOHNSON, TEDDY 0 HUSMANN, PAUL VOLD, JIM	510 7TH AVE NW 8338 STEVENS AVE S 1072 LONE OAK LANE SW 26306 THOMAS AVE 2681 JACK PINE DR 24810 COUNTY 48 22914 FOX FIRE 5223 FLORENCE DR NW	GRAND RAPIDS BLOOMINGTON ORONOCO ELKO RUTLEDGE OSAGE COLD SPRING ROCHESTER	55744 55420 55960 55020 55795 56570 56320 55901	218 952 507 612 218 218 320 507	326-0039 884-2593 280-6110 590-1003 372-3684 573-2148 685-8174 252-0071
	State Count: 30					
M0000000000000000000000000000000000000	State Count: 30  PODORSKI, MICHAEL A EVERSON, JAMES *SCOTT* EMERSON, DANIEL P DAY, JAMES F JONES, SPENCER M ADKISON, JAMES J RANDOL, DOUGLAS R WILLIAMS, BENJAMIN E HAMMING, JOSHUA K NIEBRUEGGE, ROBERT E WALTERS, LEE C DOLSON, JOHN E NIELSEN, JAMES A FRIEDLY, RODNEY DAAKE, ROGER LUEBBERT, MICHAEL GOODWIN, JEFF S COSTELLO, ROBERT C COPELAND, PAUL *CATHERINE BENBOW, CHARLES E WEST, ROBERT E OUTRIGHT, HARK A WIKSTROM, JAMES R HATHEWAY, CHAD C GERLER, SCOTT E	2289 KENOSHO 501 S ADAMS 701 SHOREVIEW DRIVE 105 LONE OAK 27880 HWY T 1505 MULLANPHY 447 CR 4706 201 LENSING RD 206 NE KEYSTONE DR 4024 APPLE VALLEY DRIVE 8 SILVER LEAF CT 1308 COTTAGE LANE 413 LAKE ST 2633 OBERHELMAN RD 508 HAWTHORNE DR 102 DOHMAN HOUSE LANE 4912 ELDER RD 34422 HOLT #285 PO BOX 626 24211 SW HIDDEN VALLEY RD 6226 SW COOK CIRCLE 7 OAK DR 36000 WESTERMIER RD 264 CHICKWEED LANE 801 TRADEWINDS DR	OVERLAND RAYMORE RAYMORE SIKESTON FOREST CITY FLORISSANT POPLAR BLUFF RHINELAND LEES SUMMIT ARNOLD LAKE ST LOUIS JEFFERSON CITY ROCKAWAY BEACH FORISTELL NIXA LOOSE CREEK VILLA RIDGE OREGON BUCKNER PECULIAR PLATTSBURG ST PETERS SEDALIA JACKSON PERRYVILLE	63114 64083 64083 63801 64451 63901 65069 64086 63010 63367 65101 65714 65714 65054 63089 64473 64076 633755 63775	314 913 573 816 3173 816 573 816 573 6317 573 6417 573 666 673 573	330.0051 318.4301 708.3547 380.2275 261.4240 718.1615 291.9621 668.2854 960.5187 503.4572 999.9413 827.472 999.9413 827.472 223.7069 446.2383 210.6653 779.7297 980.9000 397.4292 668.3765 979.0119 547.2168
	State Count: 25					
MS MS MS MS MS MS MS	BEASLEY, JEFFERY *SCOTT* HUGHES, KENNETH H TONCREY, FREDDIE L MONAHAN, KRISTIN E MCKEE, BILLY SR DODDS, VIRGIL G NELSON, MINDY M *KARL IS BACCUS, JERRY *KARL* RICHARD, JOHN S *SCOT* WALTRESS, JONATHAN W HUBBARD, JOEL D	5427 FAIN LANE 2303 NORTH PINE LEA DRIVE 11350 LANDING CT 6793 HIGHWAY 12 EAST 13569 MIDWAY RD 271 CR 1000 16255 WICKSTRAND RD 332 A CR 600 550 COUNTY RD 174 188 S BROOKS ST 311 OLD HIGHWAY 13	BELDEN JACKSON BILOXI STEENS TERRY BOONEVILLE BILOXI TUPELO MCCARLEY PONTOTOC LUMBERTON	38826 39209 39532 39766 39170 38829 39532 38801 38943 38863 39455	662 601 228 662 662 228 662 662 662	397-6906 405-4458 861-3714 251-2490 878-5697 720-6749 861-3376 687-0777 274-1314 419-3149 550-0529

Page - . . . 18 Date - . 1/01/2011

State	Distributor Name	Address	City	Zip Code	Area Code	Phone Number
MS MS MS MS	MOORE. ROY K III CARTER. EDWARD M SHELTON. JOHN R RANDALL. RAMON *TERRY*					
	State Count: 15					
MT MT MT MT	DEVITT, CARY	473 TERRENCE LOOP RD PO BOX 50372 1318 BROADWATER AVENUE PO BOX 50696	BOZEMAN BILLINGS BILLINGS BILLINGS	59718 59105 59102 59105-0696	406 406 406 406	599-1133 698-8297 671-7528 256-7994
	State Count: 4					
N N N N N N N N N N N N N N N N N N N	State Count: 4  HUGHES, BRADLEY L MCLENDON, JOHN LONG, CECIL REED, RONALD *DEAN* ALDRIDGE, GARY E GEIGER, MARK A VANDERHOEF, LAWRENCE M ACKRISH. STEVEN S WHITTENTON, LONAL R JR FELTON, TIMOTHY R MARSHALL, HAROLD O SIMMS, DOUGLAS J JR WEISSER. CHADWICK F HAMM. RICKY L WEAVER, JEFFREY D FLAKE, KENNETH A HATCHER. STEPHEN W HARDOIN, MATTHEW L BIENKIEVITZ, MARK T HUDGSTON, CHRISTOPHER S JACKSON, JASON M ADAMS, TRAVIS E DESIMONE, SCOTT S CAPPS, WENDLE H JR DUPONT, MARK P MANGES, LARRY C FESPERMAN, ANDY L GLASSER, MATTHEW A CARTER, MICHAEL E OVERFELT, JASON R NEWCOMER, MARK D CAMPBELL, JEREMIAH J VON KOHLER, ERIK HARTSELL, JOHN C 11 TRACY, KEVIN L MOORE, WALTER *GRAHAM* JR	7108 BRIDLESPUR LANE 1881 CHRIS COLE RD 7100 SONOMA LANE 15 DRIFTER TRAIL 5806 CARRIAGE LANE 110 GRISMILL RD 620 BIRD HAVEN LANE 724 S ELAM AVE 1093 NEIGHBORS RD PO BOX 377 5810 NEWELL DR PO BOX 56 316 BRIDGETON COURT 163 SNAP ON LANE 528 OLIVIA WAY 2387 PHILLIP SUTTON LANE 830 LAMAR RD 2376 FULBRIGHT DR 6401 CROWN HILL DRIVE 1194 TUFTON PL 176 FOREST HILL RD 345 TOM CAUDLE RD 3880 STONEY CREEK DR PO BOX 36 2487 BRAWLEY SCHOOL RD 6465 BELLCROSS TR 7831 WRIGHT RD 14 NORTHVIEW LANE 367 BARBER LOOP 8509 APPLECROSS CIRCLE 101 ALDRIDGE LANE 1900 EMBARK DR 2783 WILLIAM HENLEY PL	CHARLOTTE SANFORD CHARLOTTE ASHEVILLE GREENSBORO JACKSONVILLE RICHFIELD GREENSBORO DUNN DALLAS MONROE LITTLETON WILMINGTON SPARTA SELMA GREENVILLE CONCORD WAYNESVILLE LEXINGTON LINCOLNTON SUGAR GROVE MOORESVILLE WHITSETT KANNAPOLIS HENDERSONVILLE MOORESVILLE MOORESVILLE APEX ARCHDALE KERNERSVILLE SOPHIA	28210 27332 28278 28805 27410 28137 27403 28334 28034 28112 27576 27834 28025 27576 27834 28027 28612 28612 28727 28027 27027	7019480144430166924884134464849966692788708773333333333333333333333333333333	965 - 6155 776 - 6216 588 - 76667 298 - 0554 PHONE *** 7 707 - 33228 890 - 30020 2989 - 23795 657 - 0255 657 - 0255 657 - 0255 657 - 0255 657 - 0255 631 - 6433 706 - 5865 341 - 6433 707 - 3328 890 - 23795 657 - 0256 631 - 6433 708 - 4989 421 - 8069 421 - 8061 201 - 9418 8329 - 6298 519 - 9418 8329 - 6298 519 - 6298 519 - 6298 519 - 6298 519 - 6298 688 - 7668 688 - 7668 778 - 778
NC NC NC	HARTSELL, JOHN C 11 TRACY, KEVIN L MOORE, WALTER *GRAHAM* JR	8543 FURRIER DR 1528 BROOKSIDE AVE 472 WALTER BRIGHT ROAD	CHARLOTTE FAYETTEVILLE SANFORD	28270 28305 27330	980 910 919	406-7763 578-7503 721-1521

Page - . . . 19 Date - . 1/01/2011

Run Date :12/30/10

	Run	Date :12/30/10						<b>.</b>
_	State	Oistributor Name	Address	City	Zip (	Code	Area Code	Phone Number
		CANTRELL, CHARLES W JR *C TETLAK, EDWARD HANEY, JAMES A GAULIN, JOSEPH B JR CLAYCOMB, MARK KENNEDY, PATRICIA *RONNIE MILAM, BRAD DUGGINS, DWIGHT WILLHOIT, ROBERT A SHENE, MICHAEL BIRCHALL, STEPHEN BALLARD, RONALD SAWYERS, LOUIS MUTO, WILLIAM *BILL* RADFORD, LARRY HOLT, WILLIAM *TRAVIS* VICKERS, KEVIN GODWIN, DENNIE *TAMYKA EM RADFORD, JOHN W VIGLIONE, RICHARD K VICKERS, ERIC S TEAGUE, EDDIE *GENE*	282 KINGSWOOD DR 8105 IRON BARK COURT 813 OLD MAGNOLIA LANE 213 WINDSOR FOREST CIRCLE 99 GOOSENECK RD WEST 4240 NICHOLSON ROAD 91 AMBER RD PO BOX 1311 1295 SPRING GARDEN RD 7780 BROOKDALE DR 2916 ROSECROFT DR 4437 FRIENDSHIP PATTERSON 631 BIRDIE LANE 2895 MEMORIAL CHURCH RD 1025 PERTH RD 6668 LEAH JUSTINE DR 3788 WILLIAMS ROAD 530 RUFFIN RD 257 SUNNY PATH LANE PO BOX 3001 4 LANDON RD	HENDERSONVILLE RALEIGH WAKE FOREST FLETCHER ROCKY POINT CAMERON TIMBERLAKE KING NEW BERN RALEIGH LAURINBURG FAYETTEVILLE BURLINGTON NORWOOD KENLY TROUTMAN TRINITY CLAREDDN PRINCETON STATESVILLE THOMASVILLE FAIRVIEW	28792 27606 27587 28732 28457 28326 27583 27021 28562 27616 28352 27616 28352 277616 28352 27542 28128 27542 28166 27370 287370 287370 287370 287370 287370	9391	828 919 919 8210 919 3366 252 910 3362 910 3364 919 704 336 919 704 336 828	674 · 6449 2337545 562 · 7124 301 · 5440 675 · 2702 4996833 364 · 9798 983 · 9683 633 · 2655 272 · 3321 266 · 9880 818 · 6237 222 · 1627 474 · 3711 284 · 5816 450 · 8913 472 · 0631 653 · 3755 657 · 3526 442 · 3944 712 · 7840
		State Count: 58						
		PULLEN, JEROME A HILL, ALEXANDER T SEVERSON, ERIC C EDINGER, SCOTT K						
		State Count: 4						
	NE NE NE NE NE NE NE	HESTERMANN, MARVIN J GREGORY, BRYAN J RYAN, STEVEN L BERTHELSEN. OLIVER R NELSON, TRENT A SANDERS, DALE 8 SMITH, TONY J HILFIKER, TIMOTHY A	6949 EAST ASH RD 9417 MANDERSON ST 7727 N 107TH AVE 1107 SOUTH O ROAD 3621 432ND TRAIL PO BOX 373 14205 SHONGASKA RD 14100 AGNEW RD	FIRTH OMAHA OMAHA AURORA RUSHVILLE CERESCO OMAHA GREENWOOD	68358 68134 68122 68818 69360 68017 68112 68366		402 402 402 402 308 402 402 402	440-4216 203-2744 575-1279 631-7739 327-2287 665-2158 451-1788 786-3522
		State Count: 8						
	NH NH NH HH NH NH	VEZINA, MARC J MCGETTIGAN, TIMOTHY A O'SULLIVAN, JACK DUBE, VALIER HAROULES, BRYAN J KOLOCOTRONIS, ARTHUR A	151 BURKE ROAD 31 WESTVIEW RD 67 N LOWELL ROAD 3 SUNRISE DRIVE 360 OLD PORTLAND RD 29 ROSS ST	GILMANTON BROOKLINE WINDHAM SHELBURNE FREEDOM NASHUA	03837 03033 03087 03581 03836 03060		603 603 603 207 603 603	267-1921 689-8555 4265227 754-6349 539-2835 533-9285
		C+-+- O+						

State Count:

Page · . . . 20 Date · . 1/01/2011

Run	Date :12/30/10					
State	Distributor Name	Address	City	Zip Code	Area Phone Code Number	
המנונים במנונים br>במנונים במנונים	KUBALSKI, JOHN L DEARAUJO, MICHAEL L ZABAWSKI, ERIC CLEAVER, ROBERT S ENGLAND. JOHN F BERMAN. YEVGENY *ZOLTAN B SILBEREISEN. LOIS *ERIK S TRAVERS, JOSEPH A STUDLEY, TIMOTHY S BLOCKLINGER. SAMUEL J LAUSTSEN, RICHARD BAUERS, MICHAEL T SR PAGLIUGHI, ERIC M DURKIN, STEVEN TSIVIS, ILIAS *DAVE* KELLY, DANIEL M PALMERCHUCK, MATTHEW J WELDON, ROBERT PALDMBI. ERNEST WASIELESKI. CHARLES E HICKMAN, WILLIAM *BILL* METZGAR, RONALD SHARKEY, TIMOTHY RICHES, JOHN J HERVE, BRUCE TEREBEY, GEORGE GOLDEN, JAMES S MACALUSO, JOSEPH BEVACQUA, ANTHONY BORINO, ERIC A SEIDMAN, ADAH R DECASIEN, MARK J DOSSANTOS, ALEX M	19 HEMLOCK ROAD 13 SAINT PETER DRIVE 45 HARDING AVENUE 10 DUNDAR RD 146 KINGS HWY 113 STERLING AVENUE 67 BRYANT RD 185 LAKEVIEW AVE 225 POHATCONG RD 47 MULLEN DR 5 PEACHTREE RD 24 MT CLEMENT AVE 657 WEYMOUTH RD 65 MAPLE RD 69 REDWOOD DR 2 BAYLEY RD 38 PINEHURST DR 28 PACKARD DRIVE 267 CROWS NEST RD 615 WALTON AVE 227 CLENDENNY AVE 191 MANALAPAN ROAD 2 EVERGREEN TRAIL 210 COX AVE 3 CORALBERRY DRIVE 611 MILFORD MT PLEASANT R 799 MCKENDIMEN RD 220 YOUNG RD 188 WEST 27TH 466 MAMIE DR 1242 VICTOR 820 DAWN COURT 209 HOBART AVE 289 STEVENS AVE	HOWELL SOUTH AMBOY OAKLYN EDISON HIDDLETOWN SOUTH PLAINFIEL TURNERSVILLE FRANKLINVILLE HIGHLAND LAKES SICKLERVILLE BASKING RIDGE PINE HILL BUENA WEST MILFORD BRICK MONTAGUE ATCO MILLVILLE MANAHAWKIN BEVERLY JERSEY CITY SPOTSWOOD MEDFORD WEST CREEK SICKLERVILLE MILFORD VINCENTOWN TRENTON BAYONNE BRICK UNION WILLIAMSTOWN ABSECON S AMBOY	07731 08879 08107 08107 07748 07080 08012 08322 07422 08081 07920-3503 08021 08723 07827 08004 08723 07827 08010 07304 08332 08055 08050 0	732 363-575 908 599-836 856 287-546 732 546-552 732 539-925 856 628-037 856 340-007 215 806-548 609 352-922 908 306-548 973 464-176 732 278-211 862 354-272 856 457-241 862 354-272 856 457-241 869 290-665 609 3867746 201 332-262 732 2516540 609 332-567 856 457-241 609 268-289 609 586-403 201 436-933 732 926-509 908 966-432 609 268-289 609 586-403 201 436-933 732 904-260	34377597170076089331553 55148437950
	State Count: 34				,	
N M M M M M M M M M M M M M M M M M M M	LOPEZ, ELUEO *LEO* BYRD. MARSHA *CODY EMP* WIGGINS, THOMAS *DAVE* TRUJILLO, ERNEST B JR STEWART, SEAN W GRISWOLD. JUSTIN W ARAGON, ABEL CRAMER, GARY J HARTLEY, JOHN R MURRAY, TERRY J SPEAR. DEAN SWARTZ, RON HENSON, JARROD S *SHANE*	3800 N ROTH BOX 1032 12 SUGAR MAPLE 7618 CREE CIRCLE 2026 VERMONT ST NE 3309 HUNTERS MEADOWS CIRC 18 LOS CIELOS LN 1069 CR 5 251 HANKS DR PO BOX 45329 2216 GARDEN RD 1851 ALIF ROAD NE 1225 GLORICTA NE	HOBBS TUCUMCARI MAYHILL SANTA FE ALBUQUERQUE RIO RANCHO SANTA FE CLOVIS LAS CRUCES RIO RANCHO RIO RANCHO RIO RANCHO ALBUQUERQUE	88240 88401 88339 87507 87110 87144 87507 88101 88005 87124 - 5329 87124 87144 87112	575 259-955 575 461-432 325 665-439 505 795-150 505 379-808 505 615-472 505 480-364 575 799-364 575 525-015 505 8920686 505 2358665 505 891-118 505 296-977	3 1 1 2 1 0 7 1 6

Page - . . . 21 Date - . 1/01/2011

Run	Date :12/30/10					A	Dhono
State	Distributor Name	Address 	City	Zip	Code	Code	Number
	State Count: 13						
NV	SALERA, JOHN M	2540 HUMMINGBIRD HILL AVE 11400 DEADWOOD DRIVE 518 BROKEN SHALE CIRCLE 3137 GANNON RIDGE AVE PO BOX 2549 1705 KINGLET DRIVE 8944 KINGSWOOD DR 240 W KIMBERLY DR 722 SCOTTSDALE 8713 PESARO DR 55 BRIDLE PATH TERRACE	HENDERSON	89074		702	547-0427
N V N V	CARR, LLOYD R CHURCH, BRIAN W	11400 DEADWOOD DRIVE 518 BROKEN SHALE CIRCLE	RENO HENDERSON	89508 89052		775 702	972·3332 606·3566
NV	YEE, ALLEN C	3137 GANNON RIDGE AVE	NORTH LAS VEGAS	89081		702	325-5999
N V N V	DICE, CURTIS D	PO BOX 2549	FLKO	89803 99441		775	385-//06
ÑΫ	MUNDAY, MARVIN T	8944 KINGSWOOD DR	LAS VEGAS	89147		702	327-4404
ΝV	LAMB, CHRISTOPHER A	240 W KIMBERLY DR	HENDERSON	89015		702	564-3194
N V N V	VETTER, MICHAEL D	722 SCOTTSDALE	HENDERSON LAS VEGAS	89002 80117		702	565-4910 869-3924
ÑŸ	MOORE, GARY C	55 BRIDLE PATH TERRACE	SPARKS	89441		775	425-6984
	State Count: 11	7 MARGINWOOD DRIVE 25 DECTER DR 45 CLARK AVE 46 HALLOCK STREET 25 EAST BLVD 3567 COUNTY RT 7 620 MOTT RD 3737 DEER MEADOW RUN 29 NORTH CANAL ST 37 TULIP TREE DR 21 SAGENDORF LANE 2776 SHADAGEE RD 21 PARKSIDE AVE 1511 CLOVE VALLEY RD 24 HARVEST WALK 282 E 98 ST APT IF 1193 US HWY 20 12 PLEASANT VIEW AVE 2903 WATCHILL AVE 12 STANFORD LANE 360 MOUNTAIN RD 10 CENTRAL AVE 31100 NYS ROUTE 37 699 TRAVER RD 273 HOOD AVE 12 FLORAL AVE 3799 PENNSYLVANIA AVE 3799 PENNSYLVANIA AVE 3799 PENNSYLVANIA AVE 164-22 89TH ST 60 SMITH RD 1272 CAIN RD	÷				
NY	TAPPEN, ARTHUR J	7 MARGINWOOD DRIVE	RIDGE	11961		631	924-1739
NY	BRUNO, MICHAEL	25 DECTER DR	KERHONKSON	12446		845	626-0982
N Y N Y	WAGNER FRANK P	45 CLARK AVE 46 HALLOCK STREET	FARMINGDALE	11735		516	694-1341
ÑŸ	BARBERÍO, PIETRO *PETER*	25 EAST BLVD	EAST ROCKAWAY	11518		516	672-4077
NV	SMITH, DAVID G	3567 COUNTY RT 7	HILLSDALE	12529		518	610-0814
N Y N Y	HEALEY, SIEPHEN R HILL STEVEN R	520 MUTI RD 3737 DEED MEADAW DIIN	MACEDON.	14502		585	732-9858
ÑΫ́	DIETRICH, MICHAEL P	29 NORTH CANAL ST	GREENE	13778		607	222-9416
NY	ZAVODSKY, JOSEPH M	37 TULIP TREE DR	GARNERVILLE	10923		845	947-1649
NY . NY .	BEARDER, SCOIT MEMBER	21 SAGENDORF LANE	WYANISKILL	12198		518 716	/28-0552 570-0786
ΝŸ	LOPEZ. ROBERT	21 PARKSIDE AVE	MILLER PLACE	11764		631	258 - 7339
NY	MANOR. ELLEN *CHRIST1NE*J	1511 CLOVE VALLEY RD	LA GRANGEVILLE	12540		845	380-0856
N Y N Y	PERRY, MIKE	24 HARVEST WALK	WEBSTER	14580		585	787-1529
Ν̈́Υ	MONOORÉ. RUSSELL A	1193 US HWY 20	WEST WINFIELD	13491		315	725 - 2734
NY	GRIMM, DANIEL R	12 PLEASANT VIEW AVE	TROY	12180		518	461-5905
N Y N Y	MARTIN, MANUEL E	2903 WATCHILL AVE	MEDFORD	11763		631	745-2901
NY	UPLINGER TIMOTHY 1	12 STANFURD LANE 360 MOUNTAIN RD	HICKZAILLE	13865		607	994-0946 237-4128
ÑΥ	DENNISON, ANDREW R	2016 BALLINA RD	CAZENOVIA	13035		315	439 - 1254
NY	JOYCE, GARY JR	10 CENTRAL AVE	NEWARK VALLEY	13811		607	242-5209
N Y N Y	GUNZALES JR., MANUEL	31100 NYS ROUTE 37	EVAN MILLS	13637		315	486-0280 505-0337
Ν̈́Υ	FIACCHI, MARIO N JR	273 HOOD AVE	SYRACUSE	13208		315	440-3352
NY	MONTOYA, ABEL A	12 FLORAL AVE	HUNTINGTON	11743		631	338-9748
N Y N Y	ACKER, GARY D	3799 PENNSYLVANIA AVE	APALACIN	13732		607	237-7717
NY	MIRABILE, ANTHONY	164-22 89TH ST	HOWARD BEACH	113/2		516 718	700-2028 843-8769
ÑŸ	ROGERS, ANDREW J	60 SMITH RD	WURTSBORO	12790		845	888-2479
NÝ	SHIELDS. PAUL	1272 CAIN RD	YOUNGSTOWN	14174		716	745 - 7249
NY	MACTGIN, KUNALD A	112 LIDO PROMENADE WEST	LINDENHURSI	11/57		631	226-6952

Page - . . . 22 Date - . 1/01/2011

State	Date :12/30/10 Distributor Name	Address	City	Zip Code	Code	Phone Number
NY NY NY NY NY NY NY NY NY NY NY NY NY	KOKOT. ADAM FRANK. PAUL CAPAN, BRUCE POLLOTTA. CHRISTOP HEWITT, ELWOOD D GAMSINO, PHILIP FATIGATE, RICKY B OLDICK, JOEL H CARL, ANDREW J RESTMEYER, FRANK JR MEHM, CARL W LORY, DEIGN W HORSTMANN, CHRISTIAN SANCHEZ. JOHN II TAYLOR, JEREMY M *JAY*	53 WEED AVE 208-20 47TH AVENUE 50 DENSMORE ROAD 4 WESTWIND DRIVE 25 RIVERBEND RD 203 EVERGREEN STREET PO BOX 123 5709 STATE RT 167 622 NEW SALEM RD 17 PROSPECT DR NORTH 84 HURLEY RD 514 PLOSS RD 53 HALLOCK ST 39 PICKWICK DR 10 DOREEN DR	STATEN ISLAND BAYSIDE ROCHESTER ROCHESTER SAUGERTIES STATEN ISLAND JOHNSBURG LITTLE FALLS VOORHEESVILLE HUNTINGTON STAT SALT POINT RICHMONDVILLE FARMINGDALE COMMACK STATEN ISLAND	10306 11361 14609 14624 12477 10308 12843 13365 12186 11746 12578 12149 11735 11725 10303	917 7185 585 5845 6446 518 6315 5181 518 518	903-9921 4238737 266-4073 594-3513 246-8515 879-0781 494-5440 823-4655 7423-2046 635-2982 294-6525 845-8790 921-6829 761-1967
000000000000000000000000000000000000000	RUBEL, JAMES HALL, JEFFREY D SANCHEZ, DAVID R SZUST, DEMIAN V HOUGHTON, MARION *DALE* WRIGHT, JASON L KOTALAC, RICHARD J SNYDER, HUNTER J SPRANG, TODD M ANDERSON, BRIAN M PERKEY, RICHARD D FISCHER, KENNETH G RATHBUN, WAYNE E CAUDILL, BRIAN D GALLAUGHER, WILLIAM J *BI MCGLADE, JASON E HARTLIEB, JEFFREY M FRENCH, VINCENT J BURGER, PAUL A BRESLIN, FLOYD *SCOTT*. BARNES, JOHN E STEPHENS, THEODORE E *TED WAGERS, BRAD D COOK, ROBERT S ZYDEL, JOHN J GOLLIHER, RANDY T WILLIAMS, ROGER ROACH, BILL L WROBEL, ROBERT WHEAL, BRIAN A STARLING, RICHARD G SCHNEE, FREDERICK W	2876 WILLIAMSBURG CIRCLE 5454 MOONFLOWER CT 142 PARKWOOD AVENUE 10768 PEBBLE BROOK LANE 28946 SHERBROOK DR PO BOX 203 3605 GOOD ROAD 168 BACON ROAD 731 KATHRYN DR 5760 GREENLAWN RD 8325 N MONTGOMERY COUNTY 7825 KINGMAN PL 2227 PAR DR 1435 STATE ST NE 2388 LIBERTY HILL RD 1924 DRESDEN RD 809 CEDAR GROVE CR 5113 WISSMAN 10482 PLANK RD 876 CLIFFSIDE DR 4245 U S RT 40 1005 N 14TH ST 3137 LANES MILL RD 1617 ESTHER AVE NE 335 WEST STATELINE RD 1091 WINCHELL RD 3701 EAKINS RD 2965 HAMILTON SCIPIO RD 1166 LAFAYETTE G19 2722 N MUNCEY DRIVE 1909 LIMBACH RD 504 SUPERIOR STREET	STOW GROVE CITY AVON LAKE STRONGSVILLE WICKLIFFE JUNCTION CITY SEVILLE CARROLLTON LOUDONVILLE HAMILTON ENGLEWOOD LEWIS CENTER AKRON CANTON CANTON CHILLICOTHE ZANESVILLE SAGAMORE HILLS TOLEDO MONTVILLE NEW PARIS SEBRING OXFORD CANTON TOLEDO AURORA CUYAHOGA FALLS HAMILTON MEDINA PORT CLINTON GENOA	44224 43123 44149 44092 43748 44273 44615 44842 45011 45322 43035 44721 45601 43721 44721 45601 44721 45347 44672 45347 44672 45013 44202 44223 44223 44223 44223 44223 44330	334 4440 4440 3330 7413 7410 833 800 813 813 813 813 813 813 813 813 813 813	678-6338 871-6036 9238-5400 944-0860 605-4664 335-3516 496-0672 2636-8665 6054-4989 214-1843 608-8863 701-4229 PHONE*** 607-7494 340-3560 849-9357 407-3560 849-9415 862-44589 923-1217 863-9415 882-3043

NMTC. Inc. d/b/a Mateo Tools Active Distributors By State for 2010 Page - . . . 23 Date - . 1/01/2011

Run	Date :12/30/10	•				Dhan -
		Address				
0H 0H 0H 0H 0H 0H 0H 0H	LASKOWSKI. JOHN HATTAR. SAGER R TUREK, FRANK R STEVENS, GEORGE BOYER, TERRY A KNOP, KIMBERLY R DEMPSEY. MICHAEL W SCHWAB, MATTHEW E LOWERY, MICHAEL R DAVIS, ARON G BECK. KEVIN D MORGAN, RALPH *DENNY* BOWER, W SCOTT WHITE, DENNIS J GROSSNICKLE. SCOTT S	9434 CONCORD CIRCLE 1096 S MUSCOVY 2173 HAINES RD 5306 MAPLESBURG DR 3803 HEMPHILL RD 4730 WHITE HOUSE SPENCER 6700 QUEENS WAY 9965 BAINBRIDGE RD 11943 ORRVILLE ST NW 9250 BLADE RD 121 REGENCY CT 2470 WEST BENT OAK 7257 ZANE TRAIL 500 KENT RD 838 EILEEN DR	TWINSBURG LOVELANO MADISON HONCLOVA BARBERTON MONCLOVA NORTH ROYALTDN CHAGRIN FALLS MASSILLON MINERVA COVINGTON NORTH CANTON CIRCLEVILLE TIPP CITY MACEDONIA	44087 45140 44057 43542 44203 43542 44133 44023 44647 44657 44657 443118 44720 43113 45371 44056	330 513 440 419 330 440 216 330 330 740 937 330	963-3946 722-3668 428-3267 877-0612 958-7454 877-9503 582-2579 440-4683 806-3681 868-0960 473-5743 494-1780 477-2015 667-1804 562-9416
	STATE COUNT'	47				
00000000000000000000000000000000000000	PERRY, MARK A CARSWELL. GREGORY D ZEILER II. WILLIE E CORNELIUS. JIMMIE L JR TABER. MICHAEL E BALDWIN, GREGORY L OLSON, ROBERT T KING. MARK A WILLCOX. STEPHEN C COLVER, SCOTT L BINGHAM. RICHARD D PHILLIPS. JAY ELSTON, ROBERT L REYNOLDS, DALE TOPPER. DAVID M	7521 S DARLINGTON AVE 2233 MAPLE DR 1001 KERSHAW 1813 AUSTIN 14704 S HARVEY 506 SW 3RD ST 1616 CALIFORNIA 5030 N MAY AVE #158 75581 STATE HWY 16 3962 PRAIRIE FALCON POINT 5524 N ROFF AVENUE 8397 E 580 RD 15454 E 92ND ST N 6301 E ROCK CREEK RD 142 HILLSIDE AVE	TULSA MIDWEST CITY MUSKOGEE OKLAHOMA CITY OKLAHOMA CITY MOORE CHICKASHA OKLAHOMA CITY WAGONER EDMOND OKLAHOMA CITY CATOOSA OWASSO NORMAN PONCA CITY	74136 73110 74401 73127 73170 73160 73018 73112 74467 73034 73112 74015 74055 73026 74601	918 405 918 405 405 918 405 918 405 918 405 918	629-1199 808-5459 869-2548 313-8353 921-8990 556-0466 678-5036 213-6113 271-1815 635-4511 226-6819 2664118 272-7623 447-3073 763-1915
-	State Count:	15				
OR OR OR OR OR OR OR OR	DAGGETT, TRAVIS S CONN, LOREN *BRAD* FLOCK, FRANK D GREEN, JOSEPH W GABRIELSON, CARL L NGIN, SOPHAR HICKS, RODNEY L LIGHTNER, MARSHAL A BROWN, DOUGLAS M SANDERS, PAUL D	2471 BAINES BLVD 2911 5W VOLCANO CIRCLE 620 IRONWOOD DR SOUTH 7712 KINGSTON CIRCLE 945 V COURT 2330 GIBSONWOODS CT NW 1014 NE DEWEY DR 10021 STERLING CREEK RD 6887 SW ERMINE RD 37611 SE LUSTED RD	HUBBARD REDMOND SALEM WHITE CITY COTTAGE GROVE SALEM GRANTS PASS JACKSONVILLE TERREBONNE BORING	97032 97756 97306 97503 97424 97304 97526 97530 97760 97009	503 541 503 541 541 503 541 514 541 503	260-1063 408-3693 884-6605 944-7900 335-9638 510-0663 476-0458 899-1040 548-5851 781-0768
	State Count:	10				
PA	FAIRISH. PETER	1105 PRESTON ROAD	N VERSAILLES	15137	412	335-0077

Page - . . . 24 Date - . 1/01/2011

State	Distributor Name	Address	City	Zip Code	Area Code	Phone Number
St — PAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAA	KALCHTHALER, DANIEL D TEAMAN, TREAVOR M LAVOIE, PATRICK A HAINES, VERLE R ULSH, GLENN J WEDEMAN, TIMOTHY G RICHARDSON, THOMAS L PLATT, JACK H MANDIC, ALAN J DOUGHTY, JOHN E TYSARCZYK, STEPHEN J LOTOWSKI, JOHN SKEEN, LARRY T *TIM* ULSH, DEAN L JUMPER, CHAD L BROWN, THOMAS C HOWARTH, MICHAEL R ISENBERG, THOMAS A JR DURANT, EDWARD T STREET, STEVEN J KRUSZYNSKI, DOUG B MCKEE, JEFFREY L QOODWIN, DOUGLAS W ZIMMERMAN, MARK G GAVIN, DAVID V THURSTON, CHARLES *CHIP* GRIMSLEY, TIMOTHY HAMMAKER, DAVID R CHECCHIO, HARRY A ZINCK, FRED KOPCZA, MARK E SMITH, PAUL A TORRE, FRANK E TECONCHUK, ALAN A ROSENBERGER, ARTHUR RAUCO, DOUGLAS M KELLY, GEORGE A URBAN, TIMOTHY W BOUCHER, SCOTT A YINGER, GALEN A FOLEY, DAVID W NACE, CHRISTOPHER J FERN, MICHAEL L HENRY, FRANK T	Address  2610 CLARE STREET 99 CENTER ROAD 1206 SULLIVAN TRAIL 522 BURNSIDE ROAD 235 MOYERS STATION ROAD 4087 HARMANS WAY 38 WEST GREEN ST 217 PINE RD 3008 HILL RD 322 POSSUM HOLLOW RD 918 PITTSBURGH ST 3 KREPPS RD 4168 BATTLE RIDGE RD PO BOX 384 2600 IDLE RD 140 WIDDOWSON RD 1850 MADDEN DRIVE 193 MINES LANE 908 GREEN COUNTRIE DR 500 HOUTZTOWN RD, UNIT 17 59 BELMAR CIRCLE 4053 IMPALA DR 46 MILL ST 716 W LEXINGTON RD 420 EAST RAVINE AVE 1417 CHERRY ROAD 769 BROAD ST EXTENDED 340 NEW BLOOMFIELD RD 1138 APPLETON AVE 600 S ELMWOOD AVENUE 2535 LAMBS GAP RD	GLENSHAW QUARRYVILLE EASTON MCDONALD SCHUYLKILLHAVEN GLENVILLE BECHTELSVILLE WALLINGFORD SELLERSVILLE WAMPUM N VERSAILLES AMBRIDGE MCDONALD AUBURN MARYSVILLE QUARRYVILLE LUCINDA WILLIAMSBURG WEST CHESTER MYERSTOWN DALLASTOWN PLUM STEWARTSTOWN LITITZ LANGHORNE BLL DELTA DUNCANNON BENSALEM GLENOLA	Zip Code  15116 17566 18040 15057 17972 17329 19505 19086 18960 16157 15137 15003 15057 17922 17053 17566 16235 16693 17363 17363 17363 17363 17363 17543 19047 19422 17313	Area 4170207102541771744404771500717150717	Phone Number
P A A A A A A A A A A A A A A A A A A A	TORRE, FRANK E TECONCHUK, ALAN A ROSENBERGER, ARTHUR RAUCO, DOUGLAS M KELLY, GEORGE A URBAN, TIMOTHY W BOUCHER, SCOTT A YINGER, GALEN A FOLEY, DAVID W NACE, CHRISTOPHER J FERN, MICHAEL L HENRY, FRANK T	715 E ORANGE STREET 361 PATTON STREET 5 LANSING ST 6468 TOLL GATE RD 636 PIGEON CREEK RD 1314 BROADVIEW EAST 55 WENTZEL RD 1180 E 2ND ST 638 GLADYS DR RRI BOX 436 465 STONERIDGE RD 98 SPRING HILL LANE 20 BRYAN WYND	LANCASTER WARMINSTER N WARREN ZIONSVILLE POTTSTOWN DOWNINGTOWN MOHNTON COUDERSPORT NAZARETH SCOTRUN EMMAUS LEBANON GLENMOORE	17602 18974 15355 18092 19465 19335 19540 16915 18064 18355 18049 17042 19343	717 215 814 610 610 610 814 610 570 610 717	3938/03 957-6249 7230777 965-7058 469-2269 269-8337 223-6653 274-8460 759-7293 977-1744 966-4462 272-0844 605-0258
PR PR PR	State Count: 45 RAMOS, LUIS J RODRIGUEZ, JOSE A MELENDEZ, GABRIEL	MANSIONES DE COAMO P 0 BOX 1093 PO BOX 217	COAMO OROCOVIS CAYEY	00769-9301 00720 00737	787 787 787	557-7216 380-8838 473-5151

Run Date :12/30/10

NMTC. Inc. d/b/a Mateo Too1s Active Distributors By State for 2010 Page - . . . 25 Date - . 1/01/2011

Area Phone State Distributor Name Address City Zip Code Code Number 
 PR
 BALDRICH, JOHN
 PO BOX 523
 CAYEY
 00737
 \*NO PHONE\*\*\*

 PR
 RIVERA, ANDRES J
 URB CIUDAD PRIMAVERA C11. CIDRA
 00739
 787 613-5739

 PR
 COLON, HECTOR
 PMB 440
 CABO ROJO
 00623
 787 834-6848

 PR
 DIAZ, HIGINIO M
 STE 108 PMB 290
 GUAYNABO
 00968
 787 768-2361

 PR
 BETANCES, LUIS E
 PMB 232
 BAYAMON
 00956
 787 797-5195

 PR
 JIMENEZ, HECTOR
 PO BOX 3403
 JUNCOS
 00777
 \*NO PHONE\*\*\*

 PR
 CORREA, EDGARDO
 PO BOX 103
 BARCELOHETA
 00617
 787 402-9291

 PR
 CRUZ, RAMON C
 CALLE 17 #2T77 MIRADOR BA CAGUAS
 00725
 787 399-1795
 State Count: 11 RI PHELAN. RICHARD 40 COLONY RD CHARLESTOWN 02813 401 364.7572 State Count: 1 SC HOOPER, D.A.

168 E IDLEWOOD CIRCLE
WEST COLUMBIA
SC CRAIG, DERRILL \*SCOTT\*
115 BUXTON
WALHALLA
SC JONES, THOMAS M JR
SO LECTURE DR
LADSON
SC THOMAS, JOHN W
600 MERTON CT
SC BROOKS, SHAWN M
208 HAMLET CIRCLE
SC COOKE, ALLEN III
SC RICARD, JUSTIN D
136 SANDY CREEK CT
SC RICARD, JUSTIN D
136 SANDY CREEK CT
SC BONNER, NICHOLAS 8
2120 BETHEL CHURCH RD
SC MCOOLE, JONATHAN T
114 LAKEVIEW DR
SC WAUGHN, JERRY
SC WAUGHN, JERRY
SC WRENN, JOHN
TIS FAIRVIEW CHURCH RD
SC WRENN, JOHN
TO PET SITES RD
MORE, GARY C
1897 DIBBLE RD SW
AIKEN
29801
803 794-0429
804 247-2448
804 247-2448
804 247-2448
805 CECTURE DR
WALHALLA
29691
864 247-2448
843 425-5851
843 742-7201
843 742-7201
843 743-8665
843 421-0664
843 421-0664
843 421-0664
850 SWMAY
SUMMERVILLE
29485
843 412-0632
850 SMITH, JIMMY R
101 COY COURT
SUMMERVILLE
29483
843 686-4093
850 BERRY, DAVID M
1700 PET SITES RD
CHAPIN
296036
803 648-6306 State Count: 14 
 SD
 SPARS. JEFF
 2809 S CORTLAND AVE
 SIOUX FALLS
 57103
 605 332-7810

 SO
 MANNHALTER, JOSHUA L
 501 HONEYSUCKLE
 HARRISBURG
 57032
 605 595-8900

 SD
 DELANEY, SEAN K
 518 E JACKSON STREET
 RAPID CITY
 57701
 605 415-2685

 SD
 MARSHALL, LEE M
 1801 COPPERDALE DR
 RAPID CITY
 57703
 605 863-0825

 SD
 NELSON, DUSTIN R
 503 N BROADWAY
 CANTON
 57013
 605 214-0394

 SD
 BOWDEN, NICHOLAS R
 321 5TH AVE
 WATERTOWN
 57201
 605 929-5478

 SO
 KNUTSON, DEAN L
 701 N BLAIR ST
 MITCHELL
 57301
 605 770-6248
 State Count: 7 TN LOEB, BRIAN A 5209 COLLETON WAY BRENTWOOD 37027 615 371-4262 TN SKEEN, ERIC A 226 LAMBERT LANE MARYVILLE 37803 865 982-9675 TN EDWARDS, MARK A 1203 EVERETT DRIVE CHATTANOOGA 37421 423 827-5893 TN HANCOCK, JAMES R 47 BIG TREE DRIVE PINSON 38366 731 421-8248 TN HONEYCUTT, DENNIS J 1016 FLINT DRIVE HENDERSONVILLE 37075 615 429-9591 TN HUDSON, GREGORY J 949 LEGGETT RD GRAYSVILLE 37338 423 618-4764 TN MORIN, ALAN R 545 KELLER RD AFTON 37616 423 972-0215 TN RHODES, GILLIS I 2327 SOUTH HAVEN RD KNOXVILLE 37920 865 617-2146

Page - . . . 26 Date - . 1/01/2011

State	Distributor Name	Address	City	7in Code	Area Phone Code Number
TN TN TN TN TN TN TN TN TN TN TN TN TN T	GAMBLE, MILTON L DICKESDN, SHAWN C COLLINS, JAN A DAVIDSON, NATHAN A OLIVER, SCOTT W BAKER, IRVIN P RATAGICK, ANTHONY R BLACK, JOHN C SCOTT, JOSEPH B HAVLOCK, SCOTT R JOHNSTON, CHARLES A YATES, JOHN R DUNLAP, RONALD V HILL, DONNIE NEERGAARD, KEITH TAYLOR, ROBERT S KAYLOR, DAVID J PATTERSON, RONALD H JR DUNLAP, MICHAEL L MUNSELL, PIERRE *PETE* HAGA, HAROLD L HUCKABA, PETER H TAYLOR, BRADFORD S	100 DEVONSHIRE TRAIL 826 BASS LANE 2019 LAKEVIEW RD 2526 CAMPBELL STATION RD 1254 BAKERS WORK ROAD 139 COTHRAN RD 1111 WOODRIDGE PL 3419 HWY 104 W 601 BOYD MILL AVE 1036 BELFAIR LANE 1031 PAHUE DR 1241 MOUNTAIN RD 1035 OLD OLIVER RD 2133 ASBURY RD 9480 FORESTWOOD RD 9137 HILLMAN WAY 7211 WHITE OAK VALLEY CIR 17 NEW CASTLE DR 4265 ROCKY BRANCH RD 1821 CEDAR LANE 2300 BIRD RD 75 LESLIE SCRUGGS RD 5757 HAYES ROAD	HENDERSONVILLE MT JULIET SPRING HILL CULLEOKA BURNS HOHENWALD MT JULIET LAVINIA FRANKLIN MARYVILLE CROSSVILLE MCDONALD WALLAND KNOXVILLE GERMANTOWN MEMPHIS MCDONALD ATOKA WALLAND NASHVILLE LENOIR CITY HUMBOLDT ARLINGTON	37075 37172 37174 38451 37029 38462 37122 38348 37064 37804 38572 37353 37886 37914 38138 38138 38138 38138 38138 38138 38138 38138 38138 38138 38138 38138 38138 38138	615 594-7711 615 332-1715 931 334-1608 931 224-0487 615 238-5073 931 628-3258 615 636-1234 731 415-6050 615 223-8834 931 783-0050 423 653-1377 865 680-2844 865 5245469 901 755-4422 901 372-9466 423 238-9332 901 837-3169 865 982-5395 615 269-4120 865 982-4537 901 751-0435
• ••	State Count: 31	JAN MALES KOND	THE THE TON	00002	701 701 7100
TX TX TX TX TX TX TX TX TX TX TX TX TX T	ROTH. LANCE D HOBBS. MICHAEL S SMITH. SAMMY G PETERS, JEFF R FURLONG, CODY BOATRIGHT. STEPHEN KIBBEY. CHRISTOPHER M EVANS. DONALD A CANTU. JAVIER SHERIDAN. GERALD W BERNAL. TIMOTHY *SCOTT* SOTO. NOE M OLGUIN. CHRISTOPHER STEWART. CARL D GATES. ROBERT A *BOB* FITZSIMMONS, FRANK *DALE* HALEY. WILLIAM L FAIN, MITCHELL W RELLER. JASON M MALDONADO. CHRISTOPHER MORENO. BRUCE P CHAPMAN. JERRY L SNYDER, STEVEN D HERNDON, JIMMY	17411 WATERVIEW DR 13800 LLANO DR 2708 CR 7720 1214 CACTUS FLOWER DRIVE 224 TIERRA GRANDE PO BOX 538 10219 WAYWARD WIND 100 SILK TREE LANE 11304 PARDONERS TALE LANE 11304 PARDONERS TALE LANE 1415 COBB RANCH RD PO BOX 3892 2314 RAVENWOOD DR 908 SW 4TH ST 6911 CLOUD SWEPT LANE 164 DEES TRAIL 2064 TRAILWOOD DR W 7901 PROSPER 10460 MONTANIO 3884 CR 123 1404 LONG VIEW DR 19303 REMINGTON BEND DR 3024 21ST STREET 2 FOXBOROUGH CT 226 HARRIS DRIVE	MONTGOMERY WEATHERFORD LUBBOCK ADKINS CIBOLO MANOR HOUSTON ROUND ROCK AUSTIN PARIS VICTORIA GRAND PRAIRIE MORTON HOUSTON BRUCEVILLE BURLESON AMARILLO NEW BRAUNFELS GAINESVILLE PEARLAND HOUSTON LUBBOCK HEATH SUNNYVALE	77356 76087 79423 78101 78108 78653 77064 78664 78748 75462 77903-3892 75050 79346 77086 76630 76028 79119 78132 76240 77581 77073 79410 75032 75182	936 582-0854 817 448-0868 806 863-3447 830 393-9184 210 473-0112 512 415-7985 832 794-1893 512 638-1971 512 292-1451 903 783-1700 361 652-9023 817 793-2504 806 549-4482 832 279-2275 254 717-6174 817 992-9687 806 654-8493 830 550-4973 214 354-5794 281 813-0051 281 728-2606 806 392-0843 972 510-9722 972 226-2843

Page - . . . 27 Date - . 1/01/2011

State	Distributor Name	Address	City	Zip Code	Area Code	Phone Number
TX	HOWARD, FARRELL *KELLY*	700 MEADOW LAKE	LITTLE ELM	75068	972	834-5988
ŢΧ	BLANKENSHIP, DAVID H	2034 BLAKE AVE	DALLAS	75228	214	906-3176
ΤX	U ROURKE, THOMAS	1310 CASTLE HILL TRAIL	KINGWOOO	7/339	281	359.5599
T X T X	MUUKE, JIMMIE A	809 DALION	PRINCEION	/54U/ 77275	201	300 4300
ΤX	COAFT CLENN F	9020 GULD KUSH SPKINGS DK	COMBALL	//3/3 77303	501	203-4389
Τ̈́X	LOPEZ EDUINDO E	905 CAVALTED	DASADENA	77502	281	220.0786
Τ̈́X	WOODS DONALD N *JENNIEER	2399 ACR 4120	PALESTINE	75803	903	391 0548
Τ̈́X	SPENCER MICHAEL *SHANE*	14710 GAMRIE RD	SANTA FF	77517	409	939-7899
ŤŶ	RUEBUSH. PHILLIP *DAVID*	7403 RICHMOND AVE	LUBBOCK	79424	806	790-4027
ΤX	KIRK, ROBERT A	10616 HUNTER DR	JUSTIN	76247	214	727-0234
ΤX	GASTÉLUM, CARLOS F	6412 STORM DR	WATAUGA	76148	817	532-2031
ΤX	BELZ, JAMES L	3116 CR 805 B	CLEBURNE	76031	817	360-1749
ΤX	LONGORIA, JUAN E	6000 N KOUNTRY LOOP	MISSION	78574	956	222-6648
ΤX	POWELL, TRAVIS K	837 KELLEY DR	EVERMAN	76140	817	821-3245
ΤX	GUTIERREZ, EDGAR	1916 S 32ND STREET	MCALLEN	78503	956	648-3217
ΤX	BAZINET, ROBERT N	2244 SW CR 0025	CORSICANA	75110	903	654 - 2557
ΤX	BLANION, PAUL K	2/13 BAYBERRY CI	BRYAN	//80/	9/9	255-591/
ΤX	WALLACE, RUBIN R	1690 CANYON SHURE DR	CANYUN LAKE	78133	512	41/-8814
TX TX	BRINLEE, KICHARD K HDOHUADT CDANT 6	AND MISDAM DK	DEEK PAKK	//530-5990 75049	160 791	235-8958
ΤX	DIYON DAVID C	SOC MADIE DIN	DUIND DUCK	7966A	512	971.5594
Τ̈́X	INGLE LARRY 1	1640 CANYON CREEK DRIVE	A71F	76020	817	371-1306
ŤΧ̈́	PELLETT, THOMAS D	7400 FM 1650	GTIMER	75645	903	235-0689
ŤΧ̈́	KLINSKI. ALEX P	19438 GRACELY PARK LN	RICHMOND	77469	281	832-0556
ΤX	LOPEZ, ERNESTO J	8722 JACK BEAN	SAN ANTONIO	78240	210	643-8671
ΤX	BROWN, HENRY A	5413 OLD GRANBURY RO	GRANBURY	76049	*N0	PHONE***
ΤX	BREIL, STEVEN R	13502 LANDS END	SAN ANTONIO	78231	210	870-6969
ΤX	HANCOCK, MARK A	5810 INDEPENDENCE CIRCLE	TEXARKANA	75503	903	276-5881
ŢΧ	WIESE, STACY L	29903 DOBBIN HUFSMITH RD	MAGNOLIA	77354	281	840-0115
ŢΧ	LUPEZ, CARMEN R *GREG GAR	13558 MASON CREST	SAN ANTONIO	78247	210	663-8247
ΤX	CESPEDES, MIGUEL A	8022 SHAGWOOD DRIVE	HOUSION	//049	832	880-7232
TX TX	EUNEKSUN, MAKK A	10055 W MILE / RD	MI22ION	/85/3 76063	956	434-2129
ΤX	DVED MICHAEL C	2300 WELCH PL	MANSFIELD	77000	01/	913.8404
Τ̈́X	GONTALES MODDIS IT	11402 SAGESTANLET	HAVAHACHTE	//UO9 . 75155	214	299-0331
Τ̈́X	REVES FODIE * HISTIN DEVE	105 FACT 2ATH CT	ANY WUCELU	75133	225	702-3311
ŤΧ	RICHARDS MIGHEL	3010 14COR DP	WVITE	75098	817	822-8266
ŤΧ̂	ROTH RANDY C	19506 COUNTRYRREEZE CT	SPRING	77388	281	825.7000
ŤΧ̈́	ANDERLE, RICHARD JR	910 CRABAPPIE WAY	ROSENBERG	77471	979	236-0762
ΤX	JACKSON, STEPHEN L *LEVI*	3227 GOLDEN OAKS CIRCLE	GRANBURY	76049	817	219-3462
ΤX	BOWEN, JAMES S *SCOTT*	1509 LARK AVE	MCALLEN	78504	956	522-2672
ΤX	MCCORKLE, JIMMY D	3220 CRYSTAL SPRINGS	BEDFORD	76021	817	688-7476
ŢΧ	ORNELAS, ALFREDO	460 VALLE DEL MAR	SOCORRO	79927	915	525-4731
ŢΧ	BLANCHARD, GARY C	5401 HOLLYTREE DR #1905	TYLER	75703	903	372-7063
ŢΧ	CEBALLOS, ROBERTO T JR	401 W FLEETWOOD AVE	LA FERIA	78559	956	200-6775
ΤX	KUNISCHIK, BRIAN S	2328 HAVARD DAK DR	PLANO	/5074	214	455-4855
TX TX	MAKKMAM, DUUGLAS S	JJUZ BI SI API B	FORROCK	79423	214	90/-4063
ΤX	PITENNID PRANDON I	14340 ISLAND PULNI	EL PASU	/9938 77657	915	4/1-1582
1.7	MITTEROUR, DRANDON L	TOO MINDING DROOK DK	LUMBERIUN	//05/	409	000-5393

Page - . . . 28 Date - . 1/01/2011

	) Date :12/30/10				Area	Phone
State	Date :12/30/10 Pistributor Name	Address	City	Zjp Code	Code	Number
	BRAZELL, JOHNNY O BISHOP, THOMAS E *BRITTAN HEINER. RANDY D TEZYK, ROBERT J KLECKNER, MATHEW S MCCRACKEN, PRESTON L SMITH, RONALD TILLERY, CLAUDE *RAY* CARR, WILLIAM E *BILLY* * REASONOVER, DAVID BOBO, STEVEN D SHERER, KIRK E MORGAN, STEVEN HUNT, MICHAEL T MCCRACKEN, LEONARD C WILKINSON, BRYANT MCMURRIAN, TONY M MAYEA, WARREN D WHITE, STEVE FRENCH, LIEF NOVAK, RICK WEISS, STEVE D GARY, CHRIS K CONNIFF, JOSEPH KING, GARY W ESTOLL, DOYLE WEBEL, PAUL DVORAK, KEVIN REARDON, KEVIN WAYLAND, THOMAS SWINNEY, WILLIAM J SHERWIN, RUSSELL DECOLA, V *JIM* MAITLAND, JEFFREY M VICKERY, KENT FYOCK, MATTHEW K CHIPPENDALE, ROBERT MOSELEY, DALE W LEMING, ROBERT J BROWN, SAMUEL *SAM* WHEELER, GEORGE D REYES, EDDIE WHEELER, PAUL E RICHARDSON, REUEL G MOBLEY, DAVID N AISENBREY, CALVIN J *JOHN ELLIS, IRA G SMITH, ROBERT R SCHUMAKER, DAVID B SMITH, GARY E	1950 DODTLAND AVE	ARTIENE	79605		668-9696
Τ̈́χ	BISHOP, THOMAS E *BRITTAN	11443 GRAND PINE DRIVE	MONTGOMERY	77356	832	713-9802
ŤΧ̈́	HEINER, RANDY D	13123 HUNTSMAN RD	SAN ANTONIO	78249	830	456-4093
Тχ	TEZYK, ROBERT J	2531 N MOCKINGBIRD LANE	MIDLOTHIAN	76065	972	679-2660
Ţχ	KLECKNER, MATHEW S	12233 HUNTERS KNOLL DR	BURLESON	76028	817	692-8709
T X T X	MCCRACKEN, PRESTUN L	419 PALDOA OR	MESQUITE	/5149 70121	214	43/-0510
ΤX	TILLEDY CLAUDE *PAV*	0905 FM //5 855 FM 1632	FUUUDALITE	75121 75979	409	2833498
Ťχ̂	CARR. WILLIAM E *BILLY* *	WILLIAM CARR JR MEMBER	FLINT	75762	903	819-0799
ΤX	REASONOVER, DAVID	PO BOX 780368	SAN ANTONIO	78278	210	8277230
Ţχ	BOBO, STEVEN D	201 CARRIAGE CIRCLE	SHERMAN	75092	903	8922055
ŢX	SHERER, KIRK E	1924 OAK FOREST DR	ROUND ROCK	78681	512	388-5411
T X T X	MURGAN, SIEVEN	ADDE ADIC COURT	HAKKEK HEIGHIZ	/ 5548 70024	254	2091395
Τ̈́χ	MCCRACKEN LEGNARD C	9050 CIFAVER LANE	TERRELI	75160	972	5646054
ŤΧ	WILKINSON, BRYANT	209 COUNTY RD 174	SWEETWATER	79556	325	798-3088
ΤX	MCMURRIAN, TONY M	# 8 NORTH HORSESHOE BEND	ODESSA	79763	432	413-9756
Ţχ	MAYEA. WARREN D	4720 BEAUMONT	GROVES	77619	409	963.1115
Ţχ	WHITE, STEVE	3019 S SADDLEBROOK LN	KATY	77494	281	693-4483
T X T X	FRENCH, LIEF	461 LK 386 2040 UTILCUTDE	ZAN ANIONIO	/8253 75067.7446	214	384-2120
Τ̈́χ	WEISS STEVE D	2203 ASPEN STREET	RICHARDSON	75082	214	384 - 8297
Ťχ̂	GARY. CHRIS K	1231 WEEPING WILLOW	SAN ANTONIO	78232	210	490-5481
Τχ̈́	CONNIFF, JOSEPH	6206 ROBIN FOREST	SAN ANTONIO	78239	210	655-7815
Ţχ	KING, GARY W	232 EISENHOWER RD	DENISON	75020	903	464-0103
Ţχ	ESTOLL, DOYLE	5810 RENDON BLOODWORTH RD	FT WORTH	76140	81/	313-8665
TX TX	WEBEL, PAUL DVODAK KEVIN	520 COUNTY RD 136 B	KINGSLAND	/8639 76020	830 017	244-5381
Τ̈́χ	REARDON, KEVIN	18011 LONGCLIFFF DR	HOUSTON	77084	281	855-0642
Ťχ	WAYLAND, THOMAS	114 STONEGATE SOUTH	BOERNE	78006	830	249-5501
ŢΧ	SWINNEY, WILLIAM J	909 GOLDEN ASTER COURT	BURLESON	76028	817	797-0719
Ţχ	SHERWIN, RUSSELL	5348 MILLER AVENUE	DALLAS	75206	214	435-9339
T X T X	DECULA. V *JIM* MATTIAND 1ECCDEV M	6// PR 4811 RD	GONZALES	78629	512	844-8665
Τ̈́x	VICKEDY KENT	17005 DANSHODTH DD	DKENHAM	//033 7866n	5/3 512	030-4/00
Τ̈́χ	FYOCK, MATTHEW K	7407 SOUTHGATE LANE	AUSTIN	78744	512	385-2769
ΤX	CHIPPENDALE, ROBERT	6003 SPRING OAK HOLLOW	SPRING	77379	281	655 - 9855
ŢΧ	MOSELEY, DALE W	PO BOX 395	SANGER	76266	214	686-1499
ŢX	LEMING, ROBERT J	3212 S MILAM	AMARILLO	79109	806	468-9781
T X T X	BROWN, SAMUEL *SAM*	1117 HARWOOD CT	CROWLEY	76036	817	714-0282
Τ̈́χ	WHEELER, GEURGE D	2/5 LK 515	EARLY	/680Z 76002	325	642-3984
Τ̈́x	WHEELS, EDDIL	3805 FAIDGREEN COT	MINIAND	70903 70707	323 432	553-4095
Τχ̈́	RICHARDSON, REUEL G	1114 CR 1077	FARMERSVILLE	75442	972	674-6237
ŢΧ	MOBLEY, DAVID N	2830 KENNING	CROSBY	77532	281	852 - 7968
ŢΧ	AISENBREY, CALVIN J *JOHN	3109 DOW CIRCLE	DEER PARK	77536	713	208-3590
T X T X	ELLIS, IRA G	8750 SPRINGWOOD DR	MONTGOMERY	77316	281	703-1322
ΤX	SCHIIMAKER DAVID R	107 CLOVEDDALE ST	CAKKULLIUN Maddie eaile	/500/ 7065/	∠14 Ω20	59/-895/ 508-4002
Τ̈́χ	SMITH, GARY F	2603 PATNA	MARDLE FALLS	77493	281	386-8320
••	<b>,</b>					JJJ 00E0

Page - . . . 29 Date - . 1/01/2011

State	Date :12/30/10 Distributor Name	Address	City	Zip Code	Area Code	Phone Number
T X T X T X T X T X T X T X T X T X T X	HARWELL, ALTON D *DEAN* MAYFIELD, DESMOND DOMINGUEZ, RODOLFO F MORGAN, ROBERT A *BOB* DIETZ, WALTER *JOE* CRISP, ROGER L RASCH, ROBERT E BURNS, WILLIAM R *BOB* BALL, PATRICK S ROBIÑSON, BRYAN D SUFFIELD, BRADY A MAGLINGER, BRENT R FELLOWS, WESLEY D WILLIAMS, RICHARD K LAFARLETT, BILLY W MCGUIRE, RUSSELL L	108 PECAN DR 1009 LANELLE 1208 S MAIN ST 453 MOLLIE LANE 9441 PAULA DR 376 BOB WHITE 2702 DOUBLE TREE 23110 EARLMIST OR 1825 AIRLINE DRIVE, APT H 27618 FAIRWAY OAKS DR 8109 SANTA FE 17527 WARM WINDS DR 19703 TIMBER RIDGE 215 STONEHAM LANE 9125 RUSHING RIVER 3025 IVAN HOE LANE	VICTORIA IOWA PARK MIDLAND ELYSIAN FIELDS CORPUS CHRISTI NEW BRAUNFELS ROUND ROCK SPRING CORPUS CHRISTI HUFFMAN AMARILLO TOMBALL MAGNOLIA KILLEEN FT WORTH ABILENE	77905 76367 79701 75642 78410 78132 78681 77373 78412 77336 79110 77377 77355 76542 76118 79605	361 940 915 903 361 281 281 281 281 254 817 325	648 - 8496 592 - 2407 683 - 6715 633 - 8225 242 - 2159 625 - 1860 801 - 6089 288 - 0682 774 - 5562 324 - 3899 353 - 1822 379 - 4722 702 - 2714 526 - 0696 825 - 7072 232 - 8109
UT UT UT UT UT UT UT UT	CURTIS, JOHN R SPARKS, MICHAEL O SAWYER, ERIC T HARMS, SCOTT A HATCH, RICHARD D BURKE, MICHAEL L WOLF, LYLE FOX, VERL E BEAZER, V. DARYL SARGENT, KEITH GARRISON, LEONARD NEWPORT, RICHARD D CARD, BRUCE W	195 WEST 100 SOUTH 7941 S PALLIDUM RD 1215 SOUTHWIND DR 13779 S BLUE ADMIRAL DR 480 EAST 200 NORTH 1471 E 1800 S 5670 W SUNVIEW DRIVE 1436 E CHURCHILL DOWNS DR 916 E ROSEFIELD LANE 229 SOUTH 1500 WEST 5850 GOLDEN DR 6872 MERRILEE CR 363 VALLEY VIEW DR	SALEM WEST JORDAN ST GEORGE RIVERTON CENTERVILLE ST GEORGE KEARNS SANDY DRAPER OGDEN MURRAY WEST VALLEY CIT	84653 84084 84770 84096 84014 84790 84118-7942 84092 84020 84404 84123 84128 84701	801 208 435 801 801 801 801 801 801 435	423-1651 852-2331 256-1759 301-4174 671-0271 467-8778 9651126 5990593 571-0212 394-4329 265-2498 252-7029 896-8326
	State Count: 13					
VA VA VA VA VA VA VA VA VA VA	CAVE, STEPHEN K PAUL, JAMES WOODRELL, THOMAS *RANDY* CAVE, JIM SHUEY, CLIFFORD BOWEN, CHARLES W ALDERTON, TIMOTHY A VARNEY, JOSHUA P ANDREWSKI, STANLEY J RIZZO, TIMOTHY B PENNY, DAVID E DECKER, ARTHUR R IV BREEDEN, TERRY *MARK* BELL, JOSEPH M JR BURKE, MICHAEL LYNN	611 HUNTON PLACE NE 8 CARTER LANE 5200 PORTSMOUTH RD 45539 LAKESIDE DR 5715 OTTAWA ROAD 6005 CRESCENT POINT DR 507 CHAPEL ROAD 112 NORTHBROOKE AVE 8200 IRETON RD 12903 PECAN TERRACE 9009 BIRMINGHAM DR 7200 STUBBS BRIDGE RD 9833 GORDON RO 113 WYOMING AVE 14958 GREYMONT DRIVE	LEESBUR6 AMISSVILLE FAIRFAX STERLING CENTREVILLE ORANGE MIDDLETOWN SUFFOLK RICHMOND MIDLOTHIAN MANASSAS SPOTSYLVANIA SPOTSYLVANIA PORTSMOUTH CENTREVILLE	20176 20106 22032 20165 20120 22960 22645 23434 23228 23112 20111 22551 22553 23701 20120	703 703 703 703 540 571 757 804 703 540 757 571	771 - 9272 937 - 4911 691 - 0743 430 - 9305 631 - 0680 854 - 0898 220 - 1201 651 - 7741 301 - 3164 433 - 8182 361 - 3504 846 - 1263 846 - 7922 635 - 8330 238 - 5041

Page - . . . 30 Date - . 1/01/2011

Run Date :12/30/10

Active Distributors B

State	Distributor Name	Address	City	Zip Code	Area Code	Phone Number
VA VA VA VA VA VA VA VA VA VA VA VA VA V	VOLLMER, EDWARD *KEITH* THOMAS, JEFFREY B CLARK, DAVID J TRAIL, JERRY W WINDELL, GERALD BROWN, ROSS TAMBOR, C STEVE ZARTMAN, RAYMOND *KERRY* CREED, WILLIAM *BILLY* PARK, ELLIOT HARLOW, WILLIAM R NORTHCRAFT, SCOTT BOYCE, DANIEL SCHAIBLE, DAVID HARGETT, WILLIAM *BILL* MOLITOR, BRUCE J BAIRD, KEVIN S UPHAM, ROBERT C *BOB*	398 GLADE RD 4912 ELAND CT 1717 ELBERT DR 333 CHESSIE LANE 1321 DARBY RUN DRIVE 621 NOTTINGHAM DR 2917 DOUBLE CHURCH RD 5109 CRABTREE PLACE 4517 FOREST HILL DR PO BOX 7421 33 WHITE OAK DR 320 GRAND VIEW LANE 23126 THOMAS WOODS TRAIL 15000 LARGO VISTA DR 1070 WITHERS LARUE RD 13897 LEWIS MILL WAY 2300 SPINDRIFT RD 6279 MILLWOOD DR	WYTHEVILLE FAIRFAX ROANOKE BUENA VISTA CHESAPEAKE VIRGINIA BEACH STEPHEN CITY PORTSMOUTH FAIRFAX CHARLOTTESVILLE VERONA BERRYVILLE ZUNI HAYMARKET BERRYVILLE CHANTILLY VIRGINIA BEACH WARRENTON	24382 22032 24418 24416 23322 23452 22655 23703 22906 22906 22906 22911 23898 20169 22611 20151 20151 20187	276 703 540 540 757 757 757 703 480 540 757 703 757 703	613 - 2925 402 - 5838 521 - 8481 570 - 7645 482 - 2745 4530641 8690042 535 - 8133 273 - 6565 529 - 4421 248 - 2305 955 - 9104 620 - 9726 328 - 2342 539 - 1885 449 - 0626 496 - 3626 402 - 7420
	-	·				
VT VT VT	BINGHAM, EVERETT C ROUSSEAU, JEFFREY M SEVIGNY, TIMOTHY L	240 THRASHER ROAD PO BOX 524 7395 ROUTE 113	ASCUTNEY PITTSFIELD POST MILLS	05030 05752 05058	802 802 802	674 - 5626 353 - 4654 333 - 9033
	State Count: 3					
W A A A A A A A A A A A A A A A A A A A	State Count: 3 WOODINGTON, PAUL M LOWE, JAMES D *DAN* HUTCHINSON, RICHARD L ROSENBERG, KALEB I COLLIER, ROXI L *AARON CO CLARK, TOD J WHYTE, MICHAEL C PACK, DAVIS J OAKLEY, DAVID H BRYAN, ROGER D LANE, JAYSON D WOLF, RONALD F HUTCHINS, SHAWN M DOBBS, JAMES H *JEREMY BR HENDRICKSON, TROY D WALTMAN, HOWARD T RANDLE, ROBERT L GRIFFITH, GERALD L RODIN, DANIEL P LAMP, JERRY E REGULA, DAVID STOVER, LEWIS BROADHEAD, JESSE M	1965 HUMMINGBIRD LANE 840 AMES ROAD 1119 8TH AVE NW PO BOX 2354 3061 CHUCKANUT DR 7012 W VICTORIA AVE 5696 SE MAYHILL CT 4416 PARK 25109 27TH AVE NE 606 4TH ST NE 13122 NE 187TH PLACE 5303 LIBBY ROAD NE 1513 S 73RD AVE 1409 S 35TH PL 8022 N LEHMAN RD 1530 DAFFODIL AVE NE 5010 156TH ST SW PO BOX 1067 4924 134TH PLACE SE 3038 WASHINGTON WAY 333 N W 85TH #197 24710 200 17TH AVE SE 8917 163RD ST CT E	CAMANO ISLAND SELAH PUYALLUP LYNNWOOD BOW KENNEWICK PORT ORCHARD SEDRO WOOLLEY ARLINGTON PUYALLUP WOODINVILLE OLYMPIA YAKIMA YAKIMA SPOKANE ORTING EDMONDS CHEWELAH SNOHOMISH LONGVIEW SEATTLE MAPLE VALLEY PUYALLUP	98282 98942 98371 98036 98232 99336 98366 98284 98223 98372 98072 98506 98908 9808 98098 98098 98098 98098 98098 98098 98098 98098	369966010 36966010 3696603 369999965950663 369999965950663	387-3427 697-9614 818-3491 356-1332 840-1376 969-3516 5405-7591 988-3722 227-5518 790-6901 969-1278 869-1278 8750-6805 935-4489 357-9386 575-9732 354-8269 370-0909

NMTC, Inc. d/b/a Mateo Tools Active Distributors By State for 2010 Page - . . . . 31 Date - . 1/01/2011

Run	Date :12/30/10		12				
State	Distributor Name	Address	City	Zip	Code	Area Code	Phone Number
WA WA WA	LASHER, MATTHEW C HASHAGEN, JAY NEIL, DENNIS LIVEZEY, EDWARD D	463 BLACK HAWK LOOP 114 TREVOR LANE PO BOX 956 2603 ROAD 56	PORT ANGELES CHEHALIS MILTON PASCO	98362 98532 98354 99301		360 360 253 509	477-3034 304-0050 922-7828 547-3261
	State Count: 28						
MMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMM	State Count: 28  ANDERSON, HAYNES T BUHLMANN, ERIC C MILLER, PAUL R ROBARGE, ROBERT J HUGHES, PAUL D KOVACS, JAMES G FINK, PETER J KEARNEY, TIMOTHY S & DAWN SCHULTZ, JONATHON D MARTIN, MICHAEL K JACOBSON, JAMES S MISHLER, DAVID A HOLTMEIER, RUSSELL F DOWD, JEFFREY J MARTIE, RICHARD *RICK* RYMARZ, JAMES J JENSON, EUGENE C KNULL, CHRISTOPHER E JOHNSON, ERIK R O'DILL, JOSHUA CS PUKALL, HOWARD A MASON, MATTHEW M CZERWONKA, JOHN M MCZERWONKA, JOHN M M	N898 LUCHT ROAD 2349 TALC TRAIL 3176 SKYLINE DRIVE 1525 S LAWE STREET 5525 MANITOWISH WAY 8073 DAIRY RIDGE RO 1201 SHAGBARK LANE 8546 HWY B 5548 RIVER RD 884 KENDALE CT N106 W16184 OLD FARM N7191 TOWN FOREST RD 1447 LANGLADE AVE 3164 DAISY MAE DR 251 WEST SECOND ST 517 14TH AVE 510 RAVINE ST W340N6621 BREEZY POINT RD W289 N9394 DIEBALL RD E853 PINE GROVE RD 1540 FOXMOOR DR PO BOX 172 709 BIRCH STREET W 148 N 7497 WOODLAND DR N1478 COUNTY RD X T298 ANDERSON RD 1308 RUTH ST N94 W24711 BARK ROAD 1424 SHALOM DRIVE E3407 COUNTY RD D W248 N 7289 MICAH RD 16828 RIDSEVIEW DRIVE 5055 RONSMAN ROAD 2189 S 81ST 5870 S HACKER DR W250 N7149 HILLSIDE RD 5026 WAGON WHEEL RD	MAUSTON MADISON HUBERTUS APPLETON MADISON VERONA UNION GROVE AMHERST WAUNAKEE ONEIDA GERMANTOWN DEERBROOK GREEN BAY DE PERE NEW RICHMOND BARABOO DARLINGTON OCONOMOWOC HARTLAND LUXEMBURG FENNIMORE PATCH GROVE ROTHSCHILD MENOMONEE FALLS BERLIN WAUSAU WATERTOWN COLGATE KEWASKUM MENOMONIE SUSSEX BROOKFIELD NEW FRANKEN WEST ALLIS WEST BEND SUSSEX MANITOWOC	891935 5536 5537	4519	*6296627694799666429666729742474294429	PHONE *** 845-1731 845-17374 1215-5374 2202-4343 3412202-4343 3513-68044 828-8361 830-7426 900-883-6912 830-7426 917-1574 830-3853-7674 828-833-7674 8313-76
WI WI WI WI	BESAW, BRADLEY K MURPHY, TERRY GIPPLE. SCOTT A SZUDAJSKI, ALAN C KLEIN, MICHAEL	2243 SKYVIEW ST 1065 SCHANOCK DR W7289 ROSE LEN COURT 3639 SCENIC RD 7979 COUNTY HWY V	GREEN BAY GREEN BAY MERRILL JACKSON MARSHFIELD	54311 54303 54452 53037 54449	•	920 920 715 262 715	406 - 9388 680 - 7971 536 - 1212 677 - 0667 676 - 2668

PM01701

NMTC. Inc. d/b/a Mateo Tools Active Distributors By State for 2010 Page - . . . 32 Date - . 1/01/2011

Run Date :12/30/10

	Distributor Name		Address	City	Zip 	Code		Phone Number
	State Count:	42						
- M A	SNEDEGAR, RONNIE L LEHMKUHLE, ROGER		HC 37 BOX 240 ROUTE 1 BOX 335D	MAXWELTON FAIRMONT	24957 26554			667-1910 641-8131
	State Count:	2						
M A M A M A M A M A M A	BERGOUIST, VANCE M TORCZON, MICHAEL L BOOMGARDEN, RICHARD L TITUS, ELIZABETH *CHRIS SWICK, THOMAS BRAY, JOHN L	Т	2082 SWEETWATER DRIVE 18 POPLAR RD 3711 MONTE VISTA DR 3913 EAST 6TH STREET 45 PURPLE SAGE RD #163 1813 BILL NYE AVE	LARAMIE CODY CASPER CHEYENNE ROCK SPRINGS LARAMIE	82070 82414 82601 82001 82901 82070		307 307 970 307	742-2626 272-7243 797-1059 297-8711 362-4595 742-6174

State Count: 6

Total Count: 1418

Run Date :12/30/10

# NMTC. Inc. d/b/a Mateo Tools Active distributor with Zero 6 Wk Avg

Page · . . . 1 Date · . 1/01/2011

State	Distributor Name	Address	City	Zip Code	Area Code	Phone Number
CA CA CA	GOLDEN, CHRIS D CHATER, ANDREW O ROBLES. JESUS A ANAGNOSTON, GREGORY	1515 2ND ST 3410 EAGLEPOINT DR 1069 E 20TH ST 100 MARGUERITE OR	SANGER GLENDALE LONG BEACH HOLLISTER	93657 91208 90806 95023	559 818 562 831	292·1657 669·1666 310·1505 635·0208
	State Count:	4				
FL FL	SALAZAR, JOSE E CURNES, DAVID A	10650 NE 10TH PLACE 806 JADESTONE CIRCLE	MIAMI SHORES ORLANDO	33138 32828	305 407	301-5513 448-7010
	State Count:	2				
IN	CHRZAN, MICHAEL J	63765 THORN RO	NORTH LIBERTY	46554	574	656-9055
	State Count:	1				
KS	CROSS, KENNETH W	201 E KEY	SALINA	67401	785	820-0452
	State Count:	1				
MA	ALLEN, MATTHEW C	225 ADAMS RD	EAST BROOKFIELO	01515	774	696-6283
	State Count:	1		-		
NC	CANTRELL, CHARLES W JR *	C 282 KINGSWOOD DR	HENDERSONVILLE	28792	828	674-6449
	State Count:	1 .				
NH	MCGETTIGAN, TIMOTHY A	31 WESTVIEW RD	BROOKLINE	03033	603	689-8555
	State Count:	1				
NM	CRAMER, GARY J	1069 CR 5	CLOVIS	88101	575	799-8701
	State Count:	1				
NY	ACKER. GARY D	3799 PENNSYLVANIA AVE	APALACIN	13732	607	237-7717
	State Count:	1				
PR	MELENDEZ, GABRIEL	PO BOX 217	CAYEY	00737	787	473-5151
	State Count:	1				
TN	RHODES, GILLIS I	2327 SOUTH HAVEN RD	KNOXVILLE	37920	865	617-2146
	State Count:	1				
ТX	BLANTON, PAUL K	2713 BAYBERRY CT	BRYAN	77807	979	255-5917
	State Count:	1				

PM01701

NMTC, Inc. d/b/a Mateo Tools Active distributor with Zero 6 Wk Avg Page - . . . 2 Date - . 1/01/2011

Run Date :12/30/10

State Distributor Name

Address

City

Area Phone Zip Code Code Number

Total Count:

16

# FRANCHISE DISCLOSURE DOCUMENT

# APPENDIX C: TERMINATED DISTRIBUTORS

Page - . . . . 1 Date - . 1/01/2011

	Date :1Z/30/10					
State	Distributor Name	Address	City	Zip Code	Code	Phone Number
AR AR AR AR	HODGE, TIMOTHY J *TERM* FREEMAN, BRENT W *TERM* REINKING, RANDY *SHAWN RE CHUNN, PAUL S *STEVE* *TE RATHBURN, KENNETH L *TERH	9618 PERRY RD 622 HWY 95 E 1 BARRHEAD LANE 2 WIGTOWN LANE 1604 S 44TH ST	BAUXITE CLINTON BELLA VISTA BELLA VISTA FORT SMITH			
	State Count; 5					
AZ AZ AZ AZ	GRANRATH, AUGUST P *TERH* WOOD, CRAIG A *TERM* QUEEN. DONALD G JR *TERM* DAVIS, AARON M *TERM*	10321 W SUPERIOR AVE 8909 E MARTHA ROOT COURT 1880 W HORSESHOE BEND 755 E CALLE MAYER	TOLLESON TUCSON CAMP VERDE NOGALES	85353 85747 86322 85621	602 520 928 520	510-3172 975-6131 592-3771 223-7626
	State Count: 4					
CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC	State Count: 4  BOUSQUET, SETH E *TERM* SMITH, JEFFREY K *TERM* FUNK, CLYDE E *TERM* SOULO, MONROE S *TERM* UNGER, JAY R *TERM* PETERSON, BRIAN D *TERH* LARIOS, JAIME *TERH* PERRY, JACK G *TERM* RICH, CHRISTOPHER D *TERM THREADGILL, RANDY L JR *T SAFRENO, RICHARD R *TERM* TONGE, WALLACE N *TERH* ALLEN, SHANE T*TERM* *JAS TOWNSEND, LAWRENCE R *TER HICKS, DALE A *TERH* CISNEROS, JERRY *TERM* KING, ROGER O *TERH* WEEK, DOUGLAS A *TERM* DELGADO, PETER JR *TERM* PETERSON, JON L *TERM* RUSSELL, STEVE E *TERM* RUSSELL, STEVE E *TERM* GRIFFITH, THOMAS J *TERM* GRIFFITH, THOMAS J *TERM* SATTERFIELD, JAMES R *TER CLARK, BRYAN M *TERM*	22588 S COLORADO RIVER DR 4450 CALIFORNIA AVE PO BOX 6268 4487 STONE CANYON CT 8874 ROSSINI COURT 6182 KISER DR 12336 ORIZABA AVE 2923 REMINGTON WAY 6984 QUAIL SPRINGS AVE 4621 MCCAULY AVENUE 7224 CIRCLE DR 3100 CLEAR LAKE OR 3879 STONERIDGE RD 360 ALICE LANE PO BOX 339 13668 JORDAN CT 7416 4TH PLACE 22515 KENT AVE 4750 RUSTIC OAK WAY 1627 S SPRUCE ST 28401 LOS ALISOS BLVD 4995 ST ALBERTA DR 2124 GILL DR 14769 ALBAWAY 1623 O'NEEL DR 26411 ROBIN ST	SONORA BAKERSFIELD TORRANCE CONCORD RIVERSIDE HUNTINGTON BEAC DOWNEY SAN JOSE TWENTYNINE PALM DENAIR ROHNERT PARK CHICO CARLSBAD BLYTHE SAN JUAN BAUTIS RANCHO CUCAMONG DOWNEY TORRANCE CARMICHAEL SANTA ANA MISSION VIEJO FONTANA CONCORD MORENO VALLEY PETALUMA ESPARTO	95370 93309 90504 94521 92503 92647 902448 95216 94928 95973 94928 95973 92010 92225 91739 905058 92704 92336 92553 94954 95627	2091 3125 3125 3125 4060 700 700 700 700 700 700 700 700 700	352-6228 889-1426 347-7390 451-5003 768-7675 896-2604 805-2908 896-2908 835-1962 769-4078 486-5426 570-6540 279-6540 279-6540 279-6540 279-6540 378-1555 965-1013 378-1555 965-1013 378-1555 965-1013 378-1555 965-1013 378-1555 965-1015 378-10
CA CA	CLARK, BRYAN M *TERM*	1824 SESSLER PL	YUBA CITY	95993	530	635-2515
C0 C0 C0	RAINS, NATHAN E *TERH* ROBERTS, DONALD R *TERM* LEE, MICHAEL D *TERM* CUTSHAW, BRIAN R *TERH*	5246 WEAVER DRIVE 679 TAHOE CIRCLE 8346 COOL SUNSHINE CIRCLE 294 34TH AVE	COLORADO SPRING GRAND JUNCTION ALAMOSA GREELEY	80922 81505 81101 80631	719 970 719 970	330-2409 683-8882 580-3548 215-6787

Page - . . . 2 Date - . 1/01/2011

Run	Date :12/30/10				_	
State	Distributor Name	Address	City	Zip Code	Code	
CO CO CO	COWGER, BRAD H *ISAAC COW CARTER, COREY R *TERM* HEJIA, CARLOS *TERM* HUNTER, PAUL R *TERM*	2300 GLENVIEW DR 680 TAHOE CIRCLE 23201 E ORCHARD PL PO BOX 231	MONTROSE GRAND JUNCTION AURORA RIFLE	81401 81505 80015 81650	970 *N0 720 970	755 · 1220 PHONE*** 937 · 8215 625 · 1912
	State Count: 8					
F F F F F F F F F F F F F F F F F F F	CLOWER, CHARLES *MATT EMP JUNEAU, STEVE R *TERM* KI6HT, JIMMY L *TERM* NAPOLITANO. KENNETH D *TE CAMP, JERRY M *TERM* HARINANGELI, JAMES T *TER BLUM, RANDY S *TERH* PHIBBS, JAMES L *TERM* SHOCKEY, DAVID A *TERM* MOSKALYK, LARRY *TERM* RICCJARDI, THOMAS *TERM* TODD, DAVID P *TERM*	3029 KILLEARN POINTE CT 6704 CHANT TRAIL 4043 SONNET DR 352 MAHAGONY 11400 AXIS DEER LANE 902 SPINDLE PALM WAY 7927 SKYVIEW BLVD 8655 79TH PL N 15801 PALMETTO CLUB DR 487 EASTVIEW ROAD 2145 FENTRESS COURT 937 GUNBY AVE SOUTH	TALLAHASSEE TALLAHASSEE TALLAHASSEE KEY LARGO FORT MYERS APOLLO BEACH NAVARRE SEMINOLE PERRINE LARGO SPRING HILL LEHIGH ACRES	32312 32309 32303 33037 33966 33572 32566 33777 33157 33770 34609 33974	850 850 305 239 727 850 727 305 727 352 239	894-5439 933-6492 294-3559 394-0865 770-8274 455-8320 686-5697 710-0997 253-2391 584-4852 666-5541 287-0516
	State Count: 12					
GA GA GA GA	HOHENBERGER, JAMES L *TER CHANCEY, JAYSON C *TERH* PIEDRA, RUBEN D JR *TERM* JOHNSON, RONALD E *TERM* RANDALL, BRIAN *TERM*	5110 WRIGHTBRIDGE ROAD 518 COPPER LAKE RD 315 FURROW CREEK CT 4132 REID RD 3467 SANDY BANK DR	CUMMING ALMA JACKSON DOUGLASVILLE AUBURN	30040 31510 30233 30135 30011	770 912 404 770 678	888-1727 632-2277 348-7093 920-0774 432-5895
	State Count: 5					
HI HI HI	JOHNSTON, RICHARD *TERM* SOUZA, LESLIE C JR *TERH* LEE, KEVIN *TERM*	45 334 MEALELE ST 47-422 HUI AUKUU 3411 PAWAINA ST	KANEOHE KANEOHE HONOLULU	96744 96744 96822	808 808 808	286-6436 478-9185 988-2054
	State Count: 3					
IA IA IA	YOUNG, RODNEY R *TERM* CATTELL, DENNIS R *JAMES MERTENS, ROBERT J *TERM* ROSEMAN, LYSLE V *TERM*	1380 U FOREVERGREEK RD 67 NE 72ND ST 2481 HERITAGE DR 10021 210TH ST	NORTH LIBERTY PLEASANT HILL WILLIAMSBURG WALCOTT	52317 50327 52361 52773	319 515 319 563	626-6721 979-4880 759-1183 324-6076
	State Count: 4					
ID ID	COOPER, JAMES P *TERM* HILL, JAY *TERM*	53 NORTH 1ST WEST 896 HARMONY RD	PRESTON TWIN FALLS	83263 83301	208 208	852-1593 734-5486
	State Count: 2					
I L I L	BUNTING. TERRY *TERM* GILMORE, JAMES K *TERH*	2824 NORTH AVE 616 S 15TH AVENUE	METROPOLIS HAYWOOD	62960 60153	618 312	524-4539 907-9406

Page · . . . . 3
Date - . 1/01/2011

Run	Date :12/30/10					
State	Distributor Name	Address	City	Zip Code		Phone Number
IL IL IL IL IL IL IL IL	SHEAFFER, ROBERT T *TERM* DIETZ, CHRISTOPHER S *TER HARRELSON, CHRISTOPHER J JERZ, MICHAEL J *TERM* TUOHY, MICHAEL W *TERM* NICCOLAI. BRUCE B *TERM* FORSYTHE. KEVIN *TERM* PATULA. CHARLES *TERM* ENGELMANN, GLENN *TERM* GIBBONS. EVAN *TERM* MUELLER, MARK G *TERM*	603 THIRD ST PO BOX 147 997 CASTLESHIRE DRIVE 137 AUGUSTA DR 554 SILVER ASPEN CIRCLE 3804 CRYSTAL LAKE AVE 17529 S 65TH AVENUE 783 WATER TOWER ROAD 1310 IRONWOOD DR	SCHAUMBURG COLONA SANDWICH WOODSTOCK GILBERTS CRYSTAL LAKE CRYSTAL LAKE TINLEY PARK JACKSONVILLE NORMAL LOMBARD	60193 61241 60548 60098 60136 60014 60014 60477 62650 61761 60148	309 630 815 847 815 708 217 309	971 - 7795 314 - 2423 514 - 7090 861 - 9359 354 - 1457 382 - 8590 479 - 8604 429 - 4757 899 - 1688 287 - 7979 495 - 2496
	State Count: 13					
I N I N I N I N I N I N	HOJEH, KIERSTEN *TERM* MANGO, THOMAS L *TERM* WHITE, BRYAN D *TERM* LYNCH, LARRY D *TERM* TYREE, TIMOTHY P *TERM* HARRIS, RANDALL L *TERM* DUNFEE, TIMOTHY A *TERH*		MARTINSVILLE FISHERS NORTH WEBSTER FRANKLIN BRAZIL CAMSY SEYMOUR	46151 46038 46555 46131 47834 46113 47274	317 574 317 812 317	345-4498 503-4953 518-4404 442-2082 448-9834 831-6393 522-8131
	State Count: 7					
KS KS	KLOSTER, BRIAN J *TERM* WINKLER, JEFFERY T *TERM*	7905 LAKEVIEW AVE 3204 LABETTE RD	LENEXA OTTAWA	66219 66067		888-6988 242-8267
	State Count: 2					
KY KY KY KY KY	WEILBAKER, JEREMY A *TERM COHRON, JEFFERY B *TERM* HUGHES, ANTHONY *TONY* *T FISHER, ROBERT S *TERM* PERRY, WILLIAM K *TERM* SCHNEIDER, ALBERT L *TERH	3486 BATHHURST CT 10501 VINTAGE CREEK DR RRI BOX 110C HIGHWAY 1534 166 AMY AVENUE	MT. WASHINGTON LEXINGTON LOUISVILLE PINEVILLE ELIZABETHTOWN LOUISVILLE	40503 40299 40977	859 502 606 270	693-3106 536-8665 338-8464 337-3152 765-7872 640-1308
	State Count: 6					
LA LA LA LA	CASE, KEITH T *TROY* *TER MCWILLIAMS, JEFFERY R *TE HERNDON, ANTHONY *CARL IS BERGERON, TODD *TERH* MURPHREE, L GREGG *TERM*	905 DENNIS AVE 4609 HWY 14 128 C HUMMINGBIRD	SULPHUR LEESVILLE NEW IBERIA LAFAYETTE SHREVEPORT	70663 71446 70560 70506 71115-3812	337 337 *NO	853-0188 353-2166 319-1366 PHONE*** 797-2643
	State Count: 5					
HA	ALLENCHEY, THOHAS W *TERM	54 SPRUCE STREET	FOXBORO	02035	508	785-5689
	State Count: 1					

Page · . . . 4 Date · . 1/01/2011

	Date :12/30/10 Distributor Name	Address	City	Zip Code	Area Code	Phone Number
MD MD MD MD MD		1831 WYCLIFFE ROAD 871 WARNER DR PO BOX 38 4005 BEE COURT 7802 W.B & A RD 36740 HAYS LANE		21234 20639 21157 21144 20621	410 410 301	665-3589 320-5308 259-3276 529-9507 769-3945
	State Count; 5					
MI MI MI MI MI MI	CRONAN, ALAN J *TERM* DOWNARD, DAVID W *TERH* HUNTLEY, LOREN F *TERM* BETTS, EVERETT G *TERM* HURD, CHRIS *TERM* MCCOWAN, WILLIAM *BRUCE* KOGELMANN, GARY *TERM* JOHNSON, DAVID E *TERH*	47924 E MAIN ST	GRASS LAKE PAW PAW LAPEER COLDWATER NILES SWARTZ CREEK LIVONIA BIRCH RUN	49240 49079 48446 49036 49120 48473 48152 48415	269 810 517 269 810 734	392-0304 370-6976 656-2147 227-1153 687-0273 513-6647 458-2001 397-4894
	State Count: 8					
M N M N M N M N	NELSON, MICHAEL S *TERM* BOWMAN, KYLE S *TERM* PARADIS, KEVIN D *TERM* CASTLE, TIMOTHY L *TERM*	12743 BUCKLEY RD 7991 CABIN DR 1117 COLLEGE AVE 6811 W 140TH ST	CALEDONIA GRASSTON RED WING SAVAGE	55921 55030 55066 55378	763 651	PHONE*** 639-1792 380-0472 259-6683
	State Count: 4					
MO MO MO	SARGENT, RICHARD D *TERM* COLE, ANDREW B *TERM* INGRAM. DAVID L *TERM*	1111 6ANTZ 13 HILLSIDE OR 576 E HIGHWAY 160	STEWARTSVILLE NIXA LAMAR	64490 65714 64759	816 417 417	248-9582 343-9174 682-3769
	State Count: 3					
MT	RUSSELL, MICHAEL J *TERM*	3985 VISTA VIEW RD	BILLINGS	59101	406	252-3743
	State Count: 1					
NC NC NC NC NC	AYCOCK, ALLEN JR *GLEN* * STONE, SCOTT D *TERM* RATCLIFF, ODEN *TERM* KISTLER, STEVE A *TERM* GODWIN. DENNIE O *TERM* KENNEDY, PATRICIA TRK 2 *	1052 AYCOCK DAIRY FARM RD 8208 KNIGHTS BRIDGE RD 3990 BEN DAIL RD 1436 FIELD CIRCLE 3788 WILLIAMS ROAD 4240 NICHOLSON RD	FREMONT CHARLOTTE LA GRANGE HICKORY CLAREOON CAMERON	27830 28210 28551 28602 28432 28326	803 252 828 910	242·1394 665·5416 566·3596 294·2539 234·1335 499·6833
	State Count: 6					
NE	DEKAY, JERRY L *TERM*	7112 N. 65TH STREET	OMAHA	68152	402	590-7559
	State Count: 1					
NJ	EVANS, JOHN E *TERM*	19 RHEA RUN ROAD	NEWTON	07860	973	383-3938

Page - . . . . 5 Date - . 1/01/2011

	Distributor Name	Address	City	Zip Code	Area Code	Phone Number
ГИ СИ СИ	OEGROAT, DANA O *TERM* ZACCONE, STEPHEN *TERM* SEIDMAN, MARC *TERH*	10 HIRAMS GROVE RD 130 LINCOLN AVE 800 SALEM COURT	BRANCHVILLE ELMWOOD PARK ATCO	07826 07407 08004	973 201 609	948 4515 665 5013 707 7697
	State Count: 4					
NM NM NM NM	GRIEGO, MARK C *TERM* DANIEL, ROBERT L *TERH* MOORE, JOHN D *JD* *TERM* CRUZ, ART L *TERM*	11101 ACOMA ROAD SE #8 1616 ROBERT DALE DR NE 300 S MANCHESTER 800 HONDO RD SW	ALBUQUERQUE ALBUQUERQUE HAGERMAN RIO RANCHO	87123 87112 88232 87124	505 505 575 505	620 · 2690 363 · 5896 626 · 3955 730 · 3673
	State Count: 4					
N V N V	PRESTON, RONALD S *TERM* COCHRAN, WILLIAM A III *B	2880 HORSESHOE LANE 519 YELLOW JACKET DR	FERNLEY DAYTON	89408 89403	775 775	846·5415 842·0490
	State Count: 2					
NY NY NY NY NY NY NY NY	ALTOMARE, THOMAS J *TERM* CORDOBA. JULIO C *TERM* BERGHOLC. BRADLEY W *TERM OSTOLSKI. CHRIS L *TERM* GIARAMITA, MARIO *TERM* * GALDIERO. RICHARD *TERM* CHRISTENSEN, SOREN *TERM* BOCCIO, MICHAEL *TERM* BACON. RUSSELL *TERM* WINKELMAN, SCOTT *TERH* RIZZO. CHRISTOPHER D *TER SWEET. RANDY C *TERM* VILLANO, DAVID B III *TER	191 VICTORY DRIVE 341 N VIRGINIA AVE 8 ANDREAS COURT 4594 SHISLER RD 60-88 60TH AVE 80 INDIAN PASS 9 MAGNOLIA DR 24 SHEPPARD LANE 1653 PREEMPTION ST 4052 FANCHER RD 3391 LINDBERGH AVE 953 COUNTY RD 123 310 CONCORD AVE	RONKONKOMA N MASSAPEOUA HOLMES CLARENCE MASPETH STORMVILLE KINGS PARK SMITHTOWN GENEVA HOLLEY OCEANSIDE MAYFIELD OCEANSIDE	11779 11758 12531 14031 11378 12582 11754 11787 14456 14470 11572 12117	631 516 845 716 917 845 631 315 585 516 518	467-3163 721-5740 742-6978 912-4358 335-4972 849-4724 361-3660 335-8136 789-3428 638-2227 536-4067 863-8171 766-2028
	State Count: 13					
OH OH OH OH OH	SINYUK, ALEXANDER *TERM* MORTIMER, MARK T *TERM* MORRIS, KURT *TERM* MCCABE, MERLIN R *TERM* JARRELL, ELI *TERM* MALLORY, ROBERT K *TERM* TIBBETTS, GREGORY L *TERH	4856 DEEP HOLLOW DR 9124 RAKCHILL DR 5145 BIRCHCREST 112 ASH ST 1174 DEBLIN DR 5707 NELLA AVE NW 6181 SHERMAN RD	COLUMBUS CINCINNATI YOUNGSTOWN LYONS MILFORD NORTH CANTON GALENA	43228 45231 44515 43533 45150 44720 43021	614 513 330 419 513 330 740	302-8129 550-0170 719-2641 923-5791 831-3748 497-6149 657-1665
	State Count: 7					
OK OK	HOLMES, WALTER L *TERM* MOORE, DONALD J *TERM*	408 NW 96TH STREET 6800 W CHARTER OAK ROAD	OKLAHOMA CITY EDMOND	73114 73003	405 405	842-0496 341-9322
	State Count: 2					
OR	LONG, GENE A *TERM*	6 SOUTHEAST CRESTLINE PLA	HERMISTON	97838	541	786-3798

Page - . . . 6 Date - . 1/01/2011

	Date :12/30/10 Distributor Name	Address	City	7in Code	Area Code	Phone Number
OR OR OR	GENTERT, HERBERT P *TERH 6ERKE, HEINRICH *TERM* WILKINSON, LEE C *TERM*	* 20810 YOSEMITE ST NE 20670 SW 65TH ST 4480 CORONA ST	AURORA TUALATIN EUGENE	97002 97062 97404	503 503 541	545.0066 349.5145 520.4654
	State Count:	4				
PA PA PA PA PA	MONAHAN, GERALD J *TERM* KEMP. BOB J *TERM* 6REGO, WILLIAM *TERM* TR SATENSTEIN. NIKOL *TERM* YURKOVITCH. RICHARD S *T	3630 STATE ROUTE 2023 344 OLD DELP ROAD K 3500 JEFFERSON AVE 824 HAPPY CREEK LANE E 1050 HUDSON WAY	FOREST CITY LANCASTER WASHINGTON WEST CHESTER NAZARETH	18421 17601 15301 19380 18064	570 717 724 610 610	267-7970 569-3379 345-3383 696-3686 614-0950
	State Count:					
SC SC	HALL, ROBERT E *TERM* CAPPS JR. RALPH *BENNY*	2135 FLORENCE HWY 724 SPRINGDALE RD	SUMTER ROCK HILL	29153 29730	803 803	495·2130 329·5241
	State Count:					
TN TN TN TN TN	PAGE. RICHARD J *RICK* * HENDERSON, ROBERT *KEITH ANDERSON, MITCHELL B *TEI HACKLER, STEVEN R *TERM* STAGGS, RONALD E *TERM*	T 1207 HARBIN RD T 161 COUNTY ROAD 967 R 5616 CEDAR ASH CROSSING 7020 ANDERSON LANE 4272 TROUSDALE LANE	DANDRIDGE RICEVILLE ANTIOCH KNOXVILLE COLUMBIA	37725 37370 37013 37918 38401	865 423 615 865 931	748-2513 650-0500 739-8997 323-1247 224-9672
	C+++ - 0+					
TX TX TX TX TX TX TX TX TX TX TX TX TX T	HOOKER. DERRICK D *TERM* FISHER. WILLIAM E *TERM* CARAVEO, RICHARD *TERM* MADHA, ABRAHAM A *JUSTIN TOMLINSON, JACKIE *JACK* WILBORN, DONNY E *PERRY BRADY, JAMES M *MIKE* *T WALLACE, LEVI A *TERM* GUNDERSON. PAUL E *TERM* HEATON, KENNETH N *TERM* BEASLEY, DANNY J *TERM* LEAR, BRIAN A *TERM* REAVIS. CODY T *TERH* PALACIOS, CHRIS R *TERM* TICKNER, JEFFREY R *TERM* PARKER, ELMER C *TERM* HOLLAND, WILLIAM *TERM* HOLLAND, WILLIAM *TERM* HOULAND, WILLIAM *TERM* HOULAND, WILLIAM *TERM* HOOD, MARK *WOODY* *TERM* HOOD, MARK *WOODY* *TERM* SMITH, SAMMY *BRAO EMP* SMITH, JERRY L *TERM*	484 CROWDER LANE 107 RIDGEVIEW DR 12540 WESTERN GULL 10750 BRIAR FOREST 24906 WINTER6REEN DR 24920 STATE HWY 56 425 BRADY RD 10610 CATFISH LANE 14515 BRACKENHURST LANE 2150 RIVER OAKS CIRCLE 802 COUNTY RD 127 1981 BELL RD 204 S SATTERWHITE 1523 STONE MESA DR 301 STALLION RD 2113 BLUFF CIRCLE 134 FINNEY OAKS LANE 217 AE CAMP WISDOM RD 1930 CHAMBLESS DR 15823 LLANO AVE 7808 CRESTWOOD CT S 2708 CR 7720 7048 DOVER LANE	LONGVIEW SHERMAN EL PASO HOUSTON MAGNOLIA SHERMAN SADLER SAN ANTONIO HOUSTON ABILENE TUSCOLA IOWA PARK WHITE OAK HOUSTON ABILENE SALADO WEATHERFORD DUNCANVILLE BEAUMONT DALLAS NORTH RICHLAND LUBBOCK RICHLAND HILLS	75603 75090 79928 77042 77355 75090 76264 78224 79605 79562 76367 75693 776973 776085 75116 77705 75206 76118	9033 915 7132 914 9214 223 325 903 325 401 214 214 214 214 214 214 214 214 214 21	240 - 9237 821 - 7523 227 - 4443 952 - 8960 489 - 1446 893 - 7813 202 - 3906 632 - 4731 577 - 7793 201 - 3140 665 - 4201 733 - 5412 738 - 9147 607 - 1810 201 - 5958 718 - 1147 733 - 7273 808 - 5515 735 - 7524 826 - 0707 485 - 3848 795 - 5039 999 - 2715

NMTC, Inc. d/b/a Mateo Tools Distributors Separated in 2010 Run Date :12/30/10

Total Count:

232

	Distributor Name	Address	City	Zip (	Area Code Code	Phone Number
	State Count: 23					
UT	REEVES, CASEY S *TERH*	3092 N 2500 W	VERNAL	84078	435	789-9601
	State Count: 1					
VA VA VA VA	TESSITORE, MICHAEL R *TER BARNABI. ROBERT E II *TER FORD. HOWARD *TERM* MASON, CARL *TERM* KIVIKKO. DENNIS L JR *TER	5501 MERCHANTS VIEW SQUAR 13473 SHILOH LOOP 767 JOHNSTON RD PO BOX 316 4202 PINEWOOD ESTATE COUR	HAYMARKET KING GEORGE MARION HOPEWELL POWHATAN	20169 22485 24354 23860 23139	571 540 276 804 804	264 · 7484 220 · 4353 783 · 8677 458 · 0073 598 · 2436
	State Count: 5					
W A W A W A W A W A	BOELTER, KEVIN L *TERM* MCCULLOCH, ROBERT J *TERH MORGAN, M JANE *TODD LYNN MCGRATH, MICHAEL S *TERM* HARMAN, EARL T *TERM* MARKS, KEVIN C *TERM* MICHAEL, MARK A *TERM*	610 RANGER DR SE 12104 N DENVER DR 1114 PAWNEE LANE 17406 SE 24TH ST 20225 BOTHELL EVERETT HWY 29720 218TH PLACE SE 5643 LOCUST LANE	OLYMPIA SPOKANE MT VERNON VANCOUVER BOTHELL KENT CASHMERE	98503 99218 98273 98683 98012 98042 98815	253 509 360 360 360 253 509	732-5657 385-7947 630-4555 334-2267 535-9378 630-3393 630-7603
	State Count: 7					
M M M M M M M M M I M M I M M I M	EBERT, CRAIG J *TERM* GILLIES, DAVID A *TERM* SERJOGINS, HELMUTH H *TER PAULSON, RICHARD *TERM* * BARTELS, DAVID B *TERM* LINO, WILLIAM J *TERM* OBRIEN, JAMES H *TERM* RADONSKI, NEAL *TERM* BESONEN, ROBERT J *TERM* GORN, CLYDE B *TERH* 5CHAEFER, WAYNE *TERM* SACHAR, KEITH *TERM*	23426 130TH AVE 810 MILLER PL E10057 390TH AVE 12920 24TH AVE 2526 WILDING WAY W13664 LINER RD 1615 13TH ST S 83 W 23325 ARTESIAN 800 STONYBROOK LANE 29736 CLOVER LANE W 209 CHEROKEE CANYON CT 22414 31ST ST	BOYD LA CROSSE EAU CLAIRE CHIPPEWA FALLS SUAMICO BRANDON FENNIMORE BIG BEND GREEN BAY WATERFORD SULLIVAN BRISTOL	54726 54603 54703 54703 54729 54173 53919 53809 53103 54304 53185 53178 53104	920 608 715 715 920 920 608 414 920 262 262 847	428 - 3465 7 - 4938 828 - 5024 577 - 2135 655 - 0823 960 - 4669 822 - 6204 587 - 8665 362 - 6889 514 - 4484 593 - 2129 855 - 1364
	State Count: 12					
M M M M Y	CHESHIER, TROY J *TERM* STRIPP, TRAVIS S *TERM* GANN. ROGER *TERM*	PO BOX 694 4306 ESSEX CT 3860 BROOKVIEW DR	SUNDANCE GILLETTE CASPER	82729 82718 82604	605 307 307	430-7375 680-3371 473-7242
	State Count: 3					

### FRANCHISE DISCLOSURE DOCUMENT

# APPENDIX D: DISTRIBUTORSHIP AGREEMENT AND EXHIBITS

# **DISTRIBUTORSHIP AGREEMENT**

#### **BETWEEN**

NMTC, INC., d/b/a **MATCO TOOLS** 4403 Allen Road Stow, Ohio 44224 (330) 929-4949

Fax: (330) 929-5008

	AND	
	·	
	Name(s) of DISTRIBUTO	DR
	Street	
City	State	Zip Code
		T-11
Area Code		Telephone
Area Code		FAX
DISTRIBUTO	R NO:	
DATE OF 1	DISTRIBUTORSHIP AG	GREEMENT
		20

# **DISTRIBUTORSHIP AGREEMENT**

### <u>INDEX</u>

	<u></u>	<u>Page</u>	
ARTICLE 1	APPOINTMENT OF DISTRIBUTOR	1	
1.1	Grant of Distributorship	1	
1.2	List of Calls and Potential Customer List		
1.3	Exclusive Rights	2	
1.4	Rights Reserved by Mateo	2	
1.5	Understandings and Acknowledgments	2	
1.6	Spouse		.3
ARTICLE 2	TERM OF AGREEMENT; DISTRIBUTOR'S OPTION TO REACQUIRE DISTRIBUTORSHIP	3	
2.1	Term		-3
2.2	Distributor's Option to Reacquire Distributorship	3	
ARTICLE 3	DISTRIBUTOR'S DUTIES AND OBLIGATIONS	3	
3.1	Promotion of Distributorship		
3.2	Restrictions on Sales		
3.3	Inventory	4	
3.4	Weekly and Monthly Customer Sales Calls and Sales Meetings		
3.5	Time Payment Reserve Account	4	
3.6	Mateo Truck; Uniforms	4	
3.7	Computer; Software; Data	5	
3.8	New Distributor Training Program	5	
3.9	Compliance with Laws	5	
3.10	Compliance with Manual	6	
3.11	Payment Obligations	6	
3.12	Management of Distributorship	6	
3.13	Mateo's Inspection Rights	6	
3.14	Use of the Internet	6	
3.15	Substance Abuse and Drug Testing	7	
<u>3.16</u>	Computer Transactions	<u></u> 7	
3.17	Document Processing	<u></u> 7	
<u>3.18</u>	Late Fee.	<u></u> 7	
ARTICLE 4	MATCO'S DUTIES	7	
4.1	New Distributor Training Program	7	
4.2	Field Training	8	
4.3	Periodic Meetings	8	
4.4	Hiring of New Operator	8	

ARTICLE 5	THE PARTIES' RELATIONSHIP	8
5.1	Independent Contractor	8
5.2	Financial Records and Reports	9
5.3	Insurance	9
5.4	Indemnification	9
5.5	Exercise of Mateo's Judgment	9
ARTICLE 6	PRODUCTS	10
6.1	Sale and Purchase of Products	10
6.2	Prices of Products	10
6.3	Initial Inventory	10
6.4	Electronic Funds Transfers	10
6.5	Standard Payment Terms	10
6.6	Security	10
6.7	Shipment	10
6.8	No Right To Withhold or Offset	11
6.9	Acceptance of Orders/Force Majeure	11
6.10	Taxes	11
6.11	Risk of Loss	11
ARTICLE 7	TRADEMARKS, TRADE NAMES AND PATENTS	11
7.1	Grant of License.	11
7.2	Rights of Matco	11
7.3	Conditions to Use of Marks	11
7.4	Approval of Printed Materials	12
7.5	Defense of Actions	12
ARTICLE 8	WARRANTY	12
ARTICLE 9	CONFIDENTIALITY	12
ARTICLE 10	TRANSFER OF INTEREST	12
10.1	Transfer of Distributorship Interest	12
10.2	Conditions for Transfer	13
10.3	Transfer to Corporation	13
10.4	Security Interest	13
10.5	Transfer by Mateo	
10.6	Non-Competition and Non-Solicitation Following a Transfer	13
ARTICLE 11	<u>DEFAULT AND</u> TERMINATION	14
11.1	Termination by Distributor	14
11.2	Mateo's Termination Rights	14
11.3	Notice; Cure Periods	14
11.4	Immediate Termination Rights	14
11.5	Obligations Upon Termination	14
11.6	Return of Products	15

11.7	Warranty Returns	15
11.8	Non-Solicitation of Customers; Covenant Against Competition	15
<u>11.9</u>	Action in Lieu of Termination	<u></u> 16
ARTICLE 12	DISPUTE RESOLUTION	16
12.1	Arbitration	16
12.2	Notice of Dispute; Cure Period	16
12.3	Limitation of Actions; Waiver of Claims	16
12.4	Powers of Arbitrator	17
12.5	Disputes not Subject to Arbitration	17
12.6	No Collateral Estoppel or Class Actions	17
12.7	Limitation of Damages	17
12.8	Waiver of Jury Trials	18
12.9	Venue and Jurisdiction	18
12.10	Injunctive Relief	18
12.11	Severability	18
ARTICLE 13	MISCELLANEOUS	18
13.1	Waiver	1
13.2	Notices	19
13.3	Governing Law	19
13.4	Severability	19
13.5	Entire Agreement	19
13.6	Definitions	19
ARTICLE 14	REPRESENTATIONS BY THE DISTRIBUTOR	20
14.1	Receipt of Completed Agreement and Disclosure Documents	20
14.2	Investigation by Distributor	20
14.3	Truth and Accuracy of Representations	20
14.4	No Representations	20
14.5	No Warranty of Success	20

Exhibit A	List of Calls and Potential Customer List
Exhibit B	[Reserved]
Exhibit C	Installment Promissory Note
Exhibit D	Security Agreement
Exhibit E	Distributor's Purchase-Security Agreement Credit Assignment Agreement
Exhibit F	Addendum and Guaranty to Distributor's Purchase-Security Agreement Credit
	Assignment Agreement
Exhibit G	Purchase Money Security Agreement
Exhibit H	Purchase Money Security – Master Agreement
Exhibit I	End User's Credit Application Subject to Mateo Tools/P.S.A. Credit Approval
Exhibit J	Distributor's Purchase Security Agreement Recourse Credit Assignment Agreement
Exhibit K-1	Purchase Money Security Agreement – New Tech Recourse
Exhibit K-2	Purchase Money Security Agreement – Gold Recourse
Exhibit L	Distributor Lease Agreement
Exhibit M	Shop Owner Lease Application
Exhibit N	Equipment Lease Agreement
Exhibit O	Mateo Distributor Business System Software License, Maintenance and Support
	Agreement and Information Form
Exhibit P	Guarantee, Indemnification, and Acknowledgment
Exhibit Q	Mateo Tools Web Page Agreement

#### MATCO TOOLS DISTRIBUTORSHIP AGREEMENT

-	This Distributorship Agreement (this "Agreement")	is	entered	into	by	and	between	NMTC,	Inc.	d/b/a
l	Mateo Tools ("Mateo"), a Delaware corporation, and									
(	the "Distributor").									

#### RECITALS

Mateo is the manufacturer and distributor of quality tools, tool boxes, and service equipment, and has developed a distinctive business system relating to the establishment and operation of Mateo mobile distributorships that sell tools, tool boxes, service equipment, and other goods and services, including, without limitation, apparel, model cars and other collectible items, and consumables (such as mechanic's hand soaps), and such other items that Mateo may in its sole discretion offer (collectively, the "Products") to professional mechanics and other businesses which operate from a single location and purchase tools for their own use (the "Business System").

The Business System is identified by means of certain trade names, service marks, trademarks, logos, and emblems, including, the trademarks and service marks "MATCO®" and MATCO® TOOLS (the "Marks").

Mateo desires to appoint the Distributor as an authorized Mateo mobile distributor to sell and service the Products in a certain geographic area and the Distributor desires to serve in such capacity.

The Distributor desires to operate a Mateo mobile distributorship in accordance with the Business System and the other standards and specifications established by Mateo, including requirements for regular weekly customer sales calls, minimum inventory and sales levels, communications and computer software usage and other operating requirements.

In consideration of the mutual promises contained in this Agreement, the Distributor and Mateo agree and contract as follows:

### ARTICLE 1 APPOINTMENT OF DISTRIBUTOR

- 1.1 <u>Grant of Distributorship</u>. Mateo grants the Distributor the right, and the Distributor undertakes the obligation, on the terms and conditions set forth in this Agreement, to purchase, resell, and service the Products as a Mateo mobile distributor under the Business System (the "Distributorship").
- List of Calls and Potential Customer List. The Distributor will operate the Distributorship only at those locations identified as potential stops along the Distributor's proposed route (the "List of Calls") and in the list of Potential Customers (defined in Section 13.6) (the "Potential Customer List"). The List of Calls and Potential Customer List are identified and attached to this Agreement as Exhibit A. Unless the List of Calls and Potential Customer List is adjusted or modified by Mateo and the Distributor, the Distributor may not offer or sell Products to any person, business, entity or other Potential Customer, other than those identified in the Potential Customer List. The Distributor acknowledges that: (A) as of the date of this Agreement there are a minimum of three hundred twenty-five (325) Potential Customers, the location of which will be identified on the List of Calls, (B) there can be no assurance that the Potential Customers identified in the Potential Customer List will acmally become Customers (defined in Section 13.6) of the Distributor, and (C) the number of actual Customers or Potential Customers identified on the Potential Customer List may increase or decrease after the date of this Agreement.

- 1.3 Exclusive Rights. The Distributorship is a business which operates principally from a vehicle, and which resells the Products to retail customers who are typically individual professional mechanics or businesses which operate from a single location, and who generally purchase the Products for their own use. Except as permitted under Section 1.4, and for so long as the Distributor is in compliance with this Agreement, Mateo will not operate, or grant a license or franchise to operate, a Mateo mobile distributorship that will be authorized to sell to any Potential Customers or Customers identified on the Distributor's Potential Customer List, if such Customers purchase Products at or from the business located and identified on the Potential Customer List.
- 1.4 <u>Rights Reserved by Mateo</u>. The Distributor acknowledges and agrees that except for the rights expressly granted to the Distributor and provided herein, Mateo retains all rights to sell, and license or authorize others to sell, Products to any customers, at any location, and through any channels or methods of distribution. Without limiting the foregoing, Mateo retains the following rights, on any terms and conditions Mateo deems advisable, and without granting Distributor any rights therein:
- 1.4.1 Mateo, and any affiliates, licensees or franchisees of Mateo, if authorized by Mateo, will have the absolute right to sell the Products, directly or indirectly, or through non-mobile distributors, including commercial sales representatives, (A) to industrial customers, industrial accounts, and owners of vehicle repair businesses (including businesses, entities, governmental agencies, and others, including those which may be listed on the Distributor's List of Calls, but excluding the Potential Customers) who (i) have central purchasing functions, or (ii) may purchase and/or acquire special order products designed for multiple-party use, which are not included as part of Mateo's regular or special purchase inventory list, or (iii) may purchase Products through a bidding process, such as railroads, airlines, manufaemrers, governmental agencies and schools, (B) to industrial and multiple-line and multiple brand wholesale distributors who may resell such Products to any potential purchaser or customer, including the Customers; and (C) to vocational and training schools and programs, and to the students and employees of such schools and programs.
- 1.4.2 Mateo, and any affiliates, licensees or franchisees of Mateo, if authorized by Mateo, will have the absolute right to sell the Products through (A) mail orders, telephone orders, and the use of catalogs distributed to potential customers, (B) any current or future means of electronic commerce, including the Internet and Mateo's website, and (C) at special and/or temporary venues (including race tracks, and other motor sports events).
- 1.4.3 Mateo, and any present or future affiliates of Mateo, may manufacture and/or sell products that are the same as or similar to the Products, and Mateo's present or future affiliates may sell such products directly, or indirectly through wholesalers, suppliers, distributors or others, to potential customers who are the same as or similar to the Distributor's Potential Customers and Customers. Mateo and the Distributor acknowledge and agree that Mateo has no control over the sales or distribution methods or operations of its affiliates, and that Mateo has no liability or obligations to the Distributor due to any sales or distribution activities of Mateo's affiliates.
- 1.5 <u>Understandings and Acknowledgments</u>. Mateo and the Distributor acknowledge and agree that Mateo shall have no liability or obligation to the Distributor if any Customer or Potential Customer of the Distributor purchases or receives Products or competitive products through any method or channel of distribution described in Section 1.4, or otherwise reserved to Mateo. Further, the Distributor and Mateo acknowledge and agree that notwithstanding Section 1.3, Mateo has in the past granted (A) distributorships that do not have any territorial restrictions or limitations on the distributor, and (B) distributorships that have territories in which the distributor is not limited to selling Products to a specified number of customers. Mateo shall use its reasonable efforts to deter such distributors, and other distributors, from selling Products to customers on the Potential Customer List, but Mateo cannot and does not provide the

Distributor with any guaranty or assurance that such distributors will not offer and sell **P**roducts to the Distributor's Customers.

1.6 Spouse. Mateo, Distributor, and Spouse (defined below) acknowledge and agree that Mateo has granted the rights under this Distributorship Agreement to Distributor based in part on Distributor's application and Distributor's promise and covenant that the person identified on the signature page of this Agreement as "Distributor," will operate the Mateo Truck and conduct the daily operations of the Distributorship. Distributor has designated the person identified on the signature page of this Agreement as "Spouse," as the person who will assist Distributor with certain aspects of the operation of the Distributorship. Mateo, Distributor, and Spouse further acknowledge and agree that both Distributor and Spouse are liable for the financial obligations and debts of Distributor and the Distributorship, and are responsible individually for compliance with this Agreement and for causing Distributor to comply with this Agreement. Without limiting the foregoing, Distributor and Spouse acknowledge and agree to be individually bound by all of the terms of this Agreement, including, in particular, those contained in Section 3.11, Article 9, and Section 11.8.

# ARTICLE 2 TERM OF AGREEMENT; DISTRIBUTOR'S OPTION TO REACQUIRE DISTRIBUTORSHIP

- 2.1 Term. The term of this Agreement will be for ten years, commencing on the date of this Agreement (the "Term"). This Agreement will not be enforceable until it has been signed by both the Distributor and Mateo.
- 2.2 Distributor's Option to Reacquire Distributorship. At the end of the Term of this Agreement, the Distributor will have the right, at his option, to reacquire the Mateo Distributorship, and execute a successor Distributorship Agreement, to serve the existing Customers identified in Exhibits A and B, for an additional ten year period, provided the Distributor complies in all respects with the following conditions: (A) the Distributor has given Mateo written notice at least one hundred eighty days, but not more than one year, prior to the end of the Term of this Agreement of his intention to reacquire the Mateo Distributorship; (B) the Distributor has complied with all of the material terms and conditions of this Agreement, has materially complied with Mateo's operating and quality standards and procedures, and has timely paid all monetary obligations owed to Mateo throughout the Term of this Agreement; (C) the Distributor has been in strict compliance with this Agreement and the policies and procedures prescribed by Mateo for (i) the six-month period prior to the Distributor's notice of its intent to reacquire a successor Mateo Distributorship, and (ii) the six-month period prior to the expiration of the Term of this Agreement; (D) the Distributor has agreed, in writing, to make the reasonable capital expenditures necessary to update, modernize, and/or replace the Mateo Tmek and equipment used by him in his Mateo business to meet the then-current specifications and the general image portrayed by the Mateo Business System; (DE) the Distributor agrees to sign and comply with the then-current standard Distributorship Agreement then being offered to new distributors by Mateo at the time the Distributor elects to exercise his option to reacquire the Mateo Distributorship; and (EF) the Distributor and Mateo have signed a joint and mutual general release of all claims each may have against the other.

# ARTICLE 3 DISTRIBUTOR'S DUTIES AND OBLIGATIONS

3.1 <u>Promotion of Distributorship.</u> The Distributor will on a full-time basis diligently promote, market, and work to increase Product sales, to increase the Customer base, and to provide quality service and warranty support to the Customers.

- Restrictions on Sales. The Distributor will only sell Products and other merchandise approved by Mateo, and will not sell, any products, tools, equipment or other merchandise which are competitive with any of the Products, except for items that are traded-in by the Distributor's Customers, without Mateo's prior written consent. Further, the Distributor shall not offer for sale, sell, or distribute any product not approved in advance by Mateo (including, for example, hazardous materials, pornographic materials, or products not related to the Distributor's business) and shall discontinue the offer, sale, or distribution of products promptly upon notice from Mateo. The Distributor may not operate the Distributorship or sell any Products to any person, entity, or business, or at any location not identified on the Potential Customer List, even if such Potential Customer or location is adjacent to, or near, a location on the Distributor's List of Calls or Potential Customer List, nor may the Distributor sell Products to any Customer of the Distributor who moves to a location or business not identified on the Potential Customer List.
- 3.3 <u>Inventory</u>. The Distributor will (i) at all times maintain a minimum inventory of Products equal to or in excess of the New Distributor Starter Inventory; (ii) on a weekly basis, purchase Products from Mateo in an amount not less than 80% of the "National Distributor Purchase Average," based on Distributor's 12-month rolling average, or, if Distributor has been operating the Distributorship for less than 12 months, based on Distributor's year-to-date average; and (iii) maintain a minimum of a \$560% ratio of a calculation of the Distributor's year-to-date purchase average divided by the Distributor's year-to-date sales average.
- Weekly and Monthly Customer Sales Calls and Sales Meetings. To ensure high quality service, 3.4 the Distributor will make personal sales calls to at least 80% of the Distributor's Potential Customers each week. In addition, the Distributor will make personal sales calls to each of his Potential Customers at least once each month. The Distributor will also attend at least 80% of district sales meetings that Mateo schedules in or for Distributor's district each year for its distributors and district managers. As of January 2<del>003.</del> Mateo expects to schedule a district sales meeting approximately once every five weeks, provided, however, that Mateo may modify the frequency and timing of the meetings upon prior notice. Failure to comply with the weekly and ruonthly sales calls requirements or sales meeting requirements described in this Section 3.4 shall be a material default under this Agreement, and shall be grounds for termination under Section 11.2. If the Distributor fails to make personal sales calls to at least 80% of his Potential Customers for three weeks out of any ten week period, or if the Distributor fails to make personal sales calls to each of his Potential Customers at least once each month for three consecutive months, or if the Distributor fails to attend at least 80% of the district sales meetings in any 12-month period, then Mateo may, in lieu of termination of this Agreement, terminate, reduce, or modify in all respects the Distributor's exclusive rights under Section 1.3 of this Agreement, immediately upon written notice from Mateo to Distributor, and Mateo will have the absolute right to adjust the territory, the List of Calls or Potential Customers accordingly or appoint or permit one or more other distributors to sell Products to the Distributor's Potential Customers, or to sell directly or indirectly, itself or through affiliate, Products to the Distributor's Potential Customers.
- 3.5 <u>Time Payment Reserve Account.</u> Mateo acknowledges having received from the Distributor a deposit for the Distributor's Time Payment Reserve Account in the amount designated by Mateo, which will be administered in accordance with Mateo's Time Payment Reserve Account policies.
- 3.6 <u>Mateo Truck; Uniforms</u>. The Distributor must purchase or lease a Mateo Truck, of the type and from a dealer or supplier approved by Mateo, prior to beginning operations of the Distributorship. The Distributor will use the name MATCO TOOLS®, the approved logo and all colors and graphics commonly associated with the Mateo Business System on the Mateo Truck in accordance with Mateo's specifications. The Distributor will keep the interior and exterior of the Mateo Truck in a clean condition and will keep the Mateo Truck in good mechanical condition. The Mateo Truck must be used solely for the operation of the Distributor's Mateo business. The Distributor ruust wear Matco-approved uniforms, as prescribed by Mateo periodically, while operating the Distributorship. The Distributor is required to maintain a

professional appearance at all times and be clean and well groomed while making calls on Potential Customers.

- 3.7 Computer; Software; Data. The Distributor will purchase or lease a new (not previously owned or refurbished) computer system that complies with the specifications established by Mateo (and that Mateo may update periodically), will sign the Mateo Distributor Business System Software License, Maintenance and Support Agreement (the "Software License Agreement") (Exhibit O) as may be modified from time to time, and will pay the required software license fees and annual maintenance support fee set forth in the Software License Agreement. The Distributor shall comply with all of Mateo's standards and specifications for computer hardware, software, and communications, and the Distributor shall update its computer hardware, software, and communications to comply with any new or changed standards or specifications established by Mateo. The Distributor agrees to use all of the features of the Mateo software in operating the Distributorship, including, without limitation, the order entry, inventory, accounts receivable and reporting features. The Distributor will communicate with Mateo, and will transmit to, and receive documents from, Mateo, electronically, in the manner specified by Mateo in the Manual (defined below) or as directed by Mateo through the Mateo Distributor Business System. Except for the Mateo Distributor Business System software, the Distributor will have sole and complete responsibility for: (a) the acquisition, operation, maintenance and upgrading of the computer system in order to maintain compliance with Mateo's current standards as they may be modified from time to time; (b) obtaining and maintaining access to the Internet through a subscription with an Internet service provider or a then-current technologically capable equivalent in accordance with Mateo's standards (which is currently high-speed Internet access through cable, DSL, or high-speed cellular); (c) the manner in which the Distributor's system interfaces with Mateo's computer system and those of other third parties; and (d) any and all consequences that may arise if the Distributor's system is not properly operated, maintained, and upgraded. All data provided by the Distributor, uploaded to Mateo's system from the Distributor's system, and/or downloaded from the Distributor's system to the Mateo system is and will be owned exclusively by Mateo, and Mateo will have the right to use such data in any manner that Mateo deems appropriate without compensation to the Distributor. In addition, all other data created or collected by Distributor in connection with the Mateo Distributor Business System, or in connection with the Distributor's operation of the business, is and will be owned exclusively by Mateo during the term of, and following termination or expiration of, the Agreement. Copies and/or originals of such data must be provided to Mateo upon Mateo's request.
- 3.8 New Distributor Training Program. The Distributor must successfully complete the "New Distributor Training Program," as defined in Section 4.1, before operating the Distributorship. If the Distributor owns more than one Mateo Distributorship, then the New Distributor Training Program must be successfully completed by the Operator who will operate the Distributorship to which this Agreement relates before the Distributorship opens for business. Mateo may provide additional training and certification for its distributors from time to time and the Distributor (and the Operator, if applicable) will attend this training and will complete the certification procedures designated by Mateo. At its option, Mateo may require distributors to pay all or some portion of the cost of providing any such future additional training and/or certification procedures. Distributor will be required to attend a minimum of 80% of the Matco-scheduled district sales meetings for the Distributor's district in any 12-month period.
- 3.9 <u>Compliance with Laws</u>. The Distributor and all of his employees will comply with all federal, state and local laws, ordinances, rules, orders and regulations applicable to the operation of the Distributorship, including all traffic and safety regulations. The Distributor will file all federal and state tax returns and will timely pay all federal withholding taxes, federal insurance contribution taxes, and all other federal, state, and local income, sales and other taxes.

- 3.10 <u>Compliance with Manual</u>. The Distributor will operate the Distributorship in conformity with the operating procedures and policies established in the Mateo Confidential Operating Manual (the "Manual"), or otherwise in writing. Mateo will loan the Distributor a copy of the Manual when the Distributor begins the New Distributor Training Program. Mateo reserves the right to provide the Manual electronically or in an electronic or computer-readable format, for example, via the Mateo Distributor Business System or another method, or on a CD.
- 3.11 Payment Obligations. The Distributor will timely pay all amounts owed to Mateo for Product purchases and under any credit agreement, promissory note, or other agreement relating to the Distributorship. All payments shall be made in accordance with Mateo's instructions and Operations Manual, including payments by telephone and electronic funds transfer, as described in Section 6.4 below.
- 3.12 <u>Management of Distributorship</u>. The Distributor will be responsible for managing all aspects of the Mateo Business, including sales, collection of accounts receivable, purchases, inventory management, and hiring of Operators, if permitted by Mateo. The Distributor may not hire Operators, managers or drivers, or delegate any of his/her duties and obligations under this Agreement, unless approved in writing, in advance, by Mateo. Notwithstanding our Business System standards, some of which address safety, security, and related matters, these matters are solely within the Distributor's control, and the Distributor retains all responsibility for these matters in the operation of the Distributorship.
- 3.13 <u>Mateo's Inspection Rights</u>. The Distributor will: (A) permit Mateo and its agents to inspect the Distributor's Mateo Truek and observe the Distributor's business operations at any time during normal business hours, (B) cooperate with Mateo during any inspections by rendering such assistance as Mateo may reasonably request, and (C) immediately, upon written notice from Mateo take the steps necessary to correct any deficiencies in the Distributor's business operations.
- 3.14 <u>Use of the Internet</u>. The Distributor specifically acknowledges and agrees that any Website (as defined below) will be deemed "advertising" under this Agreement, and will be subject to (among other things) Mateo's approval under Section 7.4 below. (As used in this Agreement, the term "Website" means an interactive electronic document, contained in a network of computers linked by communications software, that the Distributor operates or authorizes others to operate and that refers to the Distributorship, the Marks, Mateo, and/or the Business System. The term Website includes, but is not limited to, Internet and World Wide Web home pages.) In connection with any Website, the Distributor agrees to the following:
- 3.14.1 Before establishing the Website, the Distributor will submit to Mateo a sample of the Website format and information in the form and manner Mateo may reasonably require.
- 3.14.2 The Distributor may not establish or use the Website without Mateo's prior written approval.
- 3.14.3 In addition to any other applicable requirements, the Distributor must comply with Mateo's standards and specifications for Websites as prescribed by Mateo from time to time in the Manual or otherwise in writing. If required by Mateo, the Distributor will establish its Website as part of Mateo's Website and/or establish electronic links to Mateo's Website. As of the date of this Agreement, Mateo has established a Website for the entire system, and has offered Distributor a web page (or subpage) on Mateo's Website. Distributor shall execute Mateo's "Mateo Tools Web Page Agreement" (attached as Exhibit Q hereto), which permits Distributor to have its own subpage on Mateo's website. Distributor shall pay all appropriate fees under the Mateo Tools Web Page Agreement, and shall comply with Mateo's web policies as they may be modified from time to time.

- 3.14.4 If the Distributor proposes any material revision to the Website or any of the information contained in the Website, the Distributor must submit each such revision to Mateo for Mateo's prior written approval as provided above.
- 3.15 Substance Abuse and Drug Testing. The Distributor acknowledges and agrees that driving a Mateo Truek in an unsafe manner, or under the influence of alcohol or illegal drugs is potentially hazardous to the Distributor and to third parties, may cause physical injury to the Distributor and/or to third parties, and is a violation of law and a violation of Mateo policies. In addition, such actions, and/or illegal or unauthorized operation of the Truck and/or the Distributorship, may injure or harm the Marks and the goodwill associated with the Marks. The Distributor agrees not to drive or operate the Truck under the influence of alcohol or illegal drugs and not to use or ingest illegal drugs at any time. Mateo may, from time to time, and upon notice to the Distributor and subject to compliance with applicable law, require that the Distributor submit to, and undergo periodic or random drug and/or alcohol testing at a facility, clinic, hospital or laboratory specified by Mateo, at a reasonable distance from the Distributor's home, within the tirue period specified by Mateo, which shall not be less than two (2) days, nor more than five (5) days following Mateo's notice. Mateo will bear the cost of any testing or lab fees. The Distributor's failure to submit to the testing, or the failure to pass the testing and analysis will be grounds for immediate termination of the Distributorship, upon notice from Mateo.
- 3.16 Computer Transactions. The Distributor must use his/her/its best efforts to timely and accurately enter and judintain, in its entirety, all business pertinent data on the MDBS business system relative to the operation of the Distributorship, including but not limited to customer data, product data, sales, returus, warranty and payments. Transactions must be completed in strict compliance with Mateo's standards, specifications and procedures, and any unauthorized adjustments, or non-compliant use or recordation of transactions (or failure to accurately record transactions) are prohibited.
- 3.17 Document Processing. In consideration of Mateo's time and expense to prepare franchise and financial documents in connection with Distributor's execution of this Agreement and related documents, and if necessary, for Mateo to file such documents with appropriate government agencies. Distributor must pay Mateo a document processing fee of \$99, on or before signing the Agreement.
- 3.18 Late Fee. The Distributor must pay for all Product purchases, and all charges, fees and other amounts in a timely manner, as required by this Agreement and any related or ancillary documents or agreements. Product purchases and other fees and charges will be charged to the Distributor's Open Purchase Account ("OPA"). If the Distributor fails to make a payment within 21 days of the date of an invoice from Matco, Distributor's OPA will be deemed delinquent. Mateo may assess a late fee of 5% of the overdue balance per week, with a maximum late fee, per week, of \$100.

### ARTICLE 4 MATCO'S DUTIES

4.1 New Distributor Training Program. Mateo will provide a classroom training program to the Distributor and, if applicable, the Operator, in Stow, Ohio, or at such other location as may be designated by Mateo, to educate, familiarize and acquaint the Distributor and the Operator with the Mateo Business Systems. The training will include instruction (and, in some instances, may include training by videotape, computer-based training modules, or interactive video) on basic business procedures, purchasing, selling and marketing techniques, custoruer relations, basic coruputer operations, and other business and marketing topics selected by Mateo. After completion of the classroom training, hands-on training on the Distributor's truck will be provided by Mateo. The classroom training at Stow, or other designated location, together with the on-the-truck training coruprises Mateo's "New Distributor Training Program." The Distributor and the Operator must successfully complete the classroom training prior to commencing

business operations. The classroom training will be scheduled by Mateo in its sole discretion and will be for a minimum of sixtyseventy hours. The Distributor must pay lodging and travel costs for attendance at the classroom training program. Currently, Mateo has negotiated group lodging and meal accommodations and rates for distributors while attending the classroom training program. Lodging is located near Mateo's headquarters, Cleveland Hopkins International Airport, and/or Akron-Canton Regional Airport. The Distributor will be responsible for all expenses (except for scheduled travel to and from the airport and for daily travel to and from Mateo's headquarters) incurred during classroom training programs. Lodging and meal costs will be billed directly to the Distributor's Open Purchase Account. If the Distributor or initial Operator elects to bring their respective Spouse, Mateo will charge a flat fee in the amount of two hundred ninety-five dollars (\$295.00) for food, lodging, and local transportation. The Distributor will pay all other expenses incurred by the Distributor, the Operator, and, if applicable, their Spouse(s), Operator in connection with the attendance and/or participation of the Distributor and the Operator in Mateo's New Distributor Training Program, including the Operator's salary and fringe benefits.

- 4.2 <u>Field Training</u>. Following the Distributor's successful completion of the classroom portion of Mateo's New Distributor Training Program, a regional trainer, and/or a regional or district manager designated by Mateo (the "Designated Trainer") will assist and advise the Distributor in the operation of his Mateo business for a minimum of eighty hours over a six-week period. This assistance may include approximately one week of training prior to or after the Distributor's classroom training, approximately one week of training during the period that the Distributor commences sales activity, in conjunction with the Distributor's initial sales calls to Potential Customers and locations identified on the List of Calls and Potential Customer List, and a final phase of training during a period following the Distributor's first week of operations. The Designated Trainer will make sales calls with the Distributor and will provide training and assistance to the Distributor relating to purchasing, selling and marketing techniques, customer relations, computer operations, Product knowledge and other topics relating to the Distributor's operation of the Distributorship.
- 4.3 <u>Periodic Meetings</u>. Mateo will schedule periodic meetings with Mateo personnel and other distributors for additional training, Product updates and business seminars. The Distributor must attend at least 80% of the Matco-scheduled district sales meetings for its district in any 12-month period.
- 4.4 Hiring of New Operator. The Distributor will immediately notify Mateo it be hires—a new Operator to operate the Distributorship. In the event the Distributor desires to hire an Operator to operate an additional Truck, the Distributor must notify Mateo of such intent, and obtain Matco's prior written authorization and approval to hire or engage an Operator. If the new Operator has not successfully completed the New Distributor Training Program prior to hiring by the Distributor, then the new Operator will be required to successfully complete the New Distributor Training Program prior to operating the Distributorship. Mateo will not charge a training fee for training the new Operator, but the Distributor will pay all travel, room and board, living and other expenses in connection with the new Operator's attendance and/or participation in Mateo's New Distributor Training Program. Additionally, the Distributor will pay the Operator's salary and fringe benef ts.

### ARTICLE 5 THE PARTIES' RELATIONSHIP

5.1 <u>Independent Contractor</u>. The Distributor is and will hold himself out to be an independent contractor, and not an agent or employee of Mateo. The Disfributor is not authorized: (A) to sign in the name of Mateo (or on its behalf) any contract, check, note, or written instrument; (B) to pledge the credit of Mateo; (C) to bind or obligate Mateo in any way; or (D) to make any promise, warranty, or representation on Mateo's behalf with respect to the Products or any other matter, except as expressly authorized in writing by Mateo.

- 5.2 Financial Records and Reports. The Distributor will keep complete and accurate books, records, and accounts of all financial and business transactions and activities relating to the Distributorship, and will permit Mateo and its representatives to audit the books, records and accounts during regular business hours during the Term of this Agreement and for one year after termination or expiration of this Agreement. The Distributor's books, records and accounts will be in the form designated by Mateo and the Distributor will use the chart of accounts designated by Mateo for all financial statements. The Distributor will submit to Mateo, on a weekly basis, such business reports as Mateo may designate in writing. Mateo may request that the Distributor provide to Mateo, within 90 days of the Distributor's fiscal year end, a physical inventory which must be verified by a Matco District Manager, and an annual financial statements prepared in a format that Mateo may designate. Once a physical inventory is completed, Distributor must adjust his books and MDBS reports to reflect the verified physical inventory numbers. Mateo may require that the financial statements include a profit and loss statement, a balance sheet, a cash flow statement and/or other information. Depending upon Distributor's overall business health and compliance with the terms and conditions of this Agreement. Mateo may waive this physical inventory requirement and/or may extend the frequency to a bi-annual basis.
- 5.3 Insurance. The Distributor will purchase and maintain comprehensive general liability insurance covering bodily injury and property damage with minimum coverage of \$2,000,000, and vehicle liability insurance coverage for the Mateo Truek with minimum coverage of \$2,000,000, insuring both the Distributor and Mateo against any loss, liability, damage, claim or expense of any kind whatsoever, including claims for bodily injury, personal injury and property damage resulting from the operation of the Distributorship or the operation of the Mateo Truek or any other vehicle used in connection with the Distributorship. In addition, the Distributor will purchase and maintain property insurance coverage with limits of at least "replacement" cost for the Mateo Tmek and the Products, cargo, computer system and equipment used in connection with the Distributorship, and will purchase and pay for any and all other insurance required by law. All insurance policies maintained by the Distributor will: (A) name Mateo as an additional named insured, (B) provide that Mateo will receive copies of all notices of cancellation, nonrenewal or coverage change at least thirty days prior to the effective date, and (C) require the insurance company to provide and pay for legal counsel to defend any claims or actions brought against the Distributor or Mateo. Additional requirements concerning the insurance to be obtained and maintained by the Distributor, if any, may be designated by Mateo from time to time in writing. If Distributor does not obtain and maintain the proper insurance coverage, Mateo may purchase said insurance on Distributor's behalf and charge Distributor's Open Purchase Account for the premium paid.
- 5.4 <u>Indemnification</u>. The Distributor will indemnify and hold Mateo harmless from any claims, damages, judgments and losses, including attorney's fees, arising out of, from, in connection with, or as a result of the Distributor's operation of the Distributorship and the business conducted under this Agreement, the Distributor's breach of this Agreement, the Distributor's negligence, or any acts or omissions of the Distributor in connection with the operation of the Distributorship including, without limitation, claims, damages, judgments and losses arising from any unauthorized statements, representations or warranties made by the Distributor with respect to the Products, and those alleged to be caused by Mateo's negligence, unless (and then only to the extent that) the claims, damages, judgments, and losses are determined to be caused solely by Mateo's gross negligence or willful misconduct according to a final, unappealable ruling issued by a court or arbitrator of competent jurisdiction.
- 5.5 Exercise of Mateo's Judgment. Mateo has the right to operate, develop, and change the Business System in any manner that is not specifically precluded by this Agreement. Whenever Mateo has reserved in this Agreement a right to take or withhold an action, or to grant or decline to grant the Distributor a right to take or omit an action, except as otherwise expressly and specifically provided in this Agreement, Mateo may make its decision or exercise its rights on the basis of the information readily available to it, and Mateo's judgment of what is in its best interests and/or in the best interests of its franchise network, at the

time the decision is made, without regard to whether other reasonable or even arguably preferable alternative decisions could have been made by Mateo and without regard to whether Mateo's decision or the action Mateo takes promotes its financial or other individual interest.

#### ARTICLE 6 PRODUCTS

- Sale and Purchase of Products. Mateo will sell and the Distributor will buy the Products from Mateo at the prices and on the terms established and published by Mateo from time to time. Distributor will not purchase or attempt to purchase any products, including Products, directly from vendors supplying products to Mateo, or from vendors or other sources that may or may not sell to or supply products to Mateo or its distributors. Prices and terms applicable to each order placed by the Distributor will be those in effect on the date the order is accepted by Mateo. Mateo reserves the right to add or delete Products, make changes to the Products, increase Product prices, and adjust the prices, terms, and discounts for the Products, without notice or liability to the Distributor, at any time.
- 6.2 <u>Prices of Products</u>. The Distributor will have the absolute right to determine the prices at which the Products are sold to the Distributor's Customers. If Mateo institutes and implements a discount program, incentive program, coupon program, or other product sales or marketing program, the Distributor must comply with the program, and honor all authorized coupons, gift cards, gift certificates, and incentives.
- 6.3 <u>Initial Inventory.</u> Upon execution of this Agreement, the Distributor will place an order with Mateo for the New Distributor Starter Inventory. The Distributor will pay Mateo for the New Distributor Starter Inventory upon execution of this Agreement. Shipment of the New Distributor Starter Inventory will be made to the Distributor within 28 days of the date of this Agreement.
- 6.4 <u>Electronic Funds Transfers</u>. All payments to Mateo by the Distributor on any promissory note or for the purchase of Products and other goods and services will be made by electronic funds transfers in accordance with the instructions by Global Payment Systems contained in the Operations-Manual. The Distributor will, from time to time during the Term of this Agreement, sign such documents as Mateo may request to authorize the Distributor's bank to transfer the payment amounts designated by the Distributor to Mateo's bank.
- 6.5 <u>Standard Payment Terms.</u> Mateo's standard payment terms for Products sold to the Distributor are "payment due upon receipt of invoice." If the Distributor fails to make any payment to Mateo for Products in a timely manner, then Mateo may require full or partial payment in advance or seek other assurances of performance, including, but not limited to, reducing credit limits and/or placing the Distributor on credit hold prior to shipping any additional Products to the Distributor. <u>Mateo may assess</u> late fees on the overdue amounts, as provided for in Section 3.18 above.
- 6.6 Security. The Distributor hereby grants Mateo a security interest in all of the Distributor's Products, accounts receivable and other assets to secure any unpaid credit or financing provided to the Distributor and the Distributor will sign such security agreements, financing statements and other documents as Mateo may request to legally perfect its security interest.
- 6.7 <u>Shipment</u>. The Distributor will be entitled to one <u>qualifying</u> shipment of Products per week from Mateo's warehouse, freight prepaid by Mateo, if the Distributor has comphed with Mateo's mles and <u>policies regarding the placement and payment of orders for Products</u>. Mateo will ship Products "FOB" from Mateo's warehouse, freight prepaid, but the title to the Products, and the risk of loss, will pass to

Distributor as soon as the Products are delivered to the carrier at Mateo's warehouse. Prepaid freight shipments will not accumulate if the Distributor fails to request a shipment for any particular week. Additional shipments, special orders, shipments to addresses other than the Distributor's normal business address, and orders not made in compliance with Mateo's standard order input procedures, will be shipped from Mateo's warehouse, freight collect, unless otherwise agreed to in writing by Mateo.

- 6.8 No Right To Withhold or Offset. The Distributor will not withhold any payment due to Mateo because of any damage to the Products caused during transportation from Mateo to the Distributor or as a result of any legal or other claims the Distributor may allege against Mateo. The Distributor will not deduct any charges for services, parts, or other items from any payments due to Mateo until such charges have been agreed to in writing by Mateo.
- Acceptance of Orders/Force Majeure. All Product orders placed by the Distributor will be subject to acceptance by Mateo. Mateo will, with reasonable diligence, execute all accepted Product orders received from the Distributor. However, Mateo expressly reserves the right at any time to defer, postpone or forego any shipments of Products on account of procedures or priorities established by any state, federal or local government or because of production failures, strikes or other labor disturbances, inability or delay in obtaining raw materials or other supplies, floods, fires, accidents, wars, incidents of terrorism or other causes or conditions beyond the control of Mateo, and Mateo will not be liable to the Distributor for any damages or loss of profits caused by such delay in executing or failing to execute such orders.
- 6.10 <u>Taxes</u>. The Distributor will pay, in addition to the prices specified for the Products pursuant to Mateo's then current price list, all applicable federal, state, local and governmental taxes applicable to the Distributor's purchase of the Products.
- **6.11** Risk of Loss. After any Products ordered by the Distributor have been identified in such order, the risk of loss will at all times be borne by the Distributor. The Distributor will be responsible for making all claims against the carrier for damages to the Products and for all other losses.

### ARTICLE 7 TRADEMARKS, TRADE NAMES AND PATENTS

- 7.1 Grant of License. Mateo grants to the Distributor a non-exclusive, non-transferable right and license to use the Marks in the normal course of operating the Distributorship. The Distributor will only use the Marks in connection with the sale of the Products sold pursuant to the Business System and the terms of this Agreement.
- **Rights of Mateo.** The Distributor will not take any action which is adverse to Mateo's right, title or interest in the Marks or Mateo's pending or issued patents for various inventions and Products. The Distributor will not register or attempt to register the Marks or apply for any patent rights for the Products. The Distributor further agrees that nothing in this Agreement will give the Distributor any right, title or interest in the patent rights or Marks other than the right of use in accordance with the terms of this Agreement. The Distributor acknowledges the validity and Mateo's exclusive ownership of the Marks and the patent rights and agrees that any improvements made by the Distributor relating to the Marks or the Business System, as well as any and all goodwill resulting from the Distributor's use of the Marks pursuant to this Agreement, will inure solely to the benefit of Mateo.
- 7.3 Conditions to Use of Marks. The Distributor will not have the right to sublicense, assign or transfer its license to use the Marks. The Distributor will not use the Marks as part of its corporate or other legal name, or as part of any e-mail address, domain name, or other identification of the Distributor in any electronic medium. The Distributor will use the Marks only in the form and manner and with the appro-

priate appropriate legends as prescribed from time to time by Mateo. The Distributor will modify its use of the Marks from time to time in the manner designated in writing by Mateo. The Distributor will sign all documents deemed necessary by Mateo to obtain or maintain protection for the Marks.

- 7.4 <u>Approval of Printed Materials</u>. The Distributor will obtain Mateo's prior written approval for the use of the Marks in any advertising, promotional or other printed materials.
- 7.5 Defense of Actions. The Distributor will give Mateo immediate written notice of any claim made by any party relating to the Marks or the Business System and will, without compensation, cooperate in all respects with Mateo in any legal proceedings involving the Marks or the Business System. Mateo will have the sole and absolute right to determine whether it will commence or defend any litigation involving the Marks or the Business System, and will, at its expense, control and conduct any litigation involving the Marks. If the Distributor is named as a defendant in any action involving the Marks or the Business System solely because the plaintiff is alleging that the Distributor does not have the right to use the Marks, then if the Distributor gives Mateo written notice of the action within ten days after the Distributor receives notice of the claim, Mateo will assume the defense of the action and will indenmify and hold the Distributor harmless from any and all damages assessed against the Distributor in connection with the action.

### ARTICLE 8 WARRANTY

All Mateo Products are subject to the warranty and liability limitations of the written Product warranty of Mateo (the "Mateo Warranty"). The Mateo Warranty may be amended or revised by Mateo at any time in its sole discretion. Mateo will have the right to adjust and resolve all warranty claims, either directly with the Customer or through the Distributor, as Mateo in its sole discretion may determine, and any action by Mateo with respect to warranty claims will be binding upon the Distributor.

### ARTICLE 9 CONFIDENTIALITY

The Distributor will not, during the Term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person or entity any confidential information, knowledge or know-how coneeming the methods of operation of a Mateo Distributorship which may be communicated to the Distributor by any employees of Mateo, or which arises by virtue of this Agreement. The Distributor will divulge such confidential information only to his employees who must have access to it in order to operate the Distributorship. The Operations Manual and any and all other information, knowledge and know-how including, without limitation, drawings, materials, equipment, technology, methods, procedures, specifications, techniques, computer software programs, computer software source codes, systems and other data which Mateo designates as confidential or proprietary will be deemed confidential and proprietary for the purposes of this Agreement.

#### ARTICLE 10 TRANSFER OF INTEREST

10.1 <u>Transfer of Distributorship Interest</u>. Neither the Distributor nor any individual, partnership, or corporation which owns any interest in the Distributor will transfer any interest in this Agreement, in the Distributor, in any capital or common stock in the Distributor, or in all or substantially all of the assets of the Distributorship, including the Mateo Truek (the "Distributorship Interest"), without the prior written consent of Mateo.

- 10.2 Conditions for Transfer. Mateo will not unreasonably withhold its consent to any transfer, if the following conditions are met: the Distributor is not in default under any provision of this Agreement, including payment of any financial obligations to Mateo; the Distributor and Mateo have signed a mutual general release of any and all claims against each other and their respective affiliates; it has been demonstrated to Mateo's sole satisfaction that the transferee exhibits the ability to operate the Distributorship, possesses an acceptable credit rating, has adequate financial resources and capital to operate the Distributorship in accordance with Mateo's requirements, and is not involved, directly or indirectly, in any business that is in any way competitive with a Mateo Distributorship; the transfereedistributor successfully completes the New Distributor Training Program; and the Distributor and transferee-distributor sign the legal documents necessary to transfer this Agreement to the transfereedistributor. Distributor and Spouse acknowledge and agree that (a) any proposed assignment or transfer to Spouse of this Agreement, the rights and responsibilities under this Agreement, or any Distributorship Interest, or (b) any proposed delegation of duties of Distributor under this Agreement, to Spouse, by contract, by operation of law, or otherwise, shall not be effective unless approved in advance, in writing by Mateo, and Mateo may rely on the conditions described in this Section 10.2, and/or any other reasonable conditions and qualifications, in determining to grant or withhold its consent of or approval to any such transfer, assignment, or delegation to Spouse.
- 10.3 <u>Transfer to Corporation</u>. The Distributor may transfer this Agreement to a corporation formed for the convenience of ownership upon prior written notice to Mateo, provided the Distributor owns 100% of the capital stock of the corporation and personally guarantees, in a written guaranty satisfactory to Mateo, to make all payments and to fulfill all obligations and conditions required under this Agreement.
- 10.4 <u>Security Interest</u>. The Distributor will not grant a security interest in the Distributorship or this Agreement without Mateo's prior written consent. Mateo will have the right as a condition of its consent, to require the secured party to agree that if the Distributor defaults under any security interest, then Mateo will have the right and option (but not the obligation) to be substituted for the Distributor as the obligor to the secured party and to cure any default of the Distributor without the acceleration of any indebtedness due from the Distributor.
- 10.5 <u>Transfer by Mateo</u>. Mateo will have the right to transfer or assign this Agreement and all or any part of its rights or obligations herein to any person or legal entity without notice to the Distributor.
- 10.6 Non-Competition and Non-Solicitation Following a Transfer. In addition, to the covenants regarding non-competition and non-solicitation of Distributor, Spouse and others as specified in Section 11.8 below, Mateo encourages Distributor to obtain a noncompetition agreement from the previous Distributor that serviced the List of Calls, and Mateo expects that it will encourage any new distributor that acquires the business, the route, the accounts or the distributorship of the Distributor to obtain a noncompetition agreement from the outgoing or transferring Distributor. The noncompetition agreement may assist in preventing competition from the previous Distributor, Spouse, and immediate family members for a continuous uninterrupted period of one (1) year from the date of a transfer permitted under Section 10 above, or expiration or termination of the previous Distributor's Distributorship Agreement (regardless of the cause for termination). Competition includes, but is not limited to, selling or attempt to sell any Products or any products the same as or similar to the Products to (i) any existing Customer on the Distributor's List of Calls who purchased one or more Products from the previous Distributor during the 12-month period immediately preceding the dates referred to in this Section 10.6, or (ii) any Potential Customer on the Distributor's List of Calls and Potential Customer List, located on, or identified in, the previous Distributor's List of Calls and Potential Customer List, as such lists existed, or may have been amended as provided for in the previous Distributor's Agreement and in accordance with Mateo's policies, if the previous Distributor had visited or made one or more sales calls to such Potential Customer. List of

Calls, or person or business identified on the Potential Customer List during the 12-month period immediately preceding the date referred to in this Section 10.6.

### ARTICLE 11 DEFAULT AND TERMINATION

- 11.1 <u>Termination by Distributor</u>. The Distributor may terminate this Agreement, at any time, with or without cause, by giving ilnisty forty-five days prior written notice to Mateo.
- Mateo's Termination Rights. Mateo will have the right to terminate this Agreement if the Distributor: (A) violates any material term, provision, obligation, representation or warranty contained in this Agreement or any other agreements entered into with Mateo including, but not limited to, agreements regarding participation in the Mateo Tools PSA Program, (B) makes an assignment for the benefit of creditors or if a voluntary or involuntary proceeding is instituted against the Distributor in bankruptcy or under any other insolvency or similar law, (C) attempts to assign or transfer this Agreement without Mateo's written consent, (D) abandons the Distributorship, (E) fails to timely make any payment due to Mateo under this Agreement or under any other agreement, promissory note or contract, or (F) refuses to perform a physical inventory if required by Mateo or refuses to permit Mateo to audit his books and records in accordance with Section 5.2.
- 11.3 Notice; Cure Periods. Mateo will not have the right to terminate this Agreement unless and until: (A) written notice setting forth the alleged breach giving rise to the termination has been delivered to the Distributor in accordance with the terms of Section 13.2, and (B) the Distributor fails to correct the breach within the period of time specified by law. If applicable law does not specify a time period to correct the breach, then the Distributor will have thirty days to correct the breach except where the written notice states that the Distributor is delinquent in any payment due to Mateo under this Agreement in which case the Distributor will have ten days to make full payment to Mateo.
- 11.4 Immediate Termination Rights. Notwithstanding Section 11.3, Mateo will have the right to immediately terminate this Agreement by giving the Distributor written notice of termination, if the Distributor: (A) abandons the Distributorship, including voluntary or involuntary abandonment, and/or abandonment due to repossession of the Mateo Tools truek and inventory, (B) is convicted of or pleads guilty to a gross misdemeanor or felony, (C) is involved in any conduct or act which materially impairs the goodwill associated with Mateo, the Business System, or the Marks, (D) refuses to permit Mateo to audit his books and records in accordance with Section 5.2, (E) has been found to have submitted a fraudulent credit application, (F) commits any fraudulent act in connection with any of his/her agreements with Mateo, (G) fails to comply with Section 3.2 of this Agreement by offering to sell or selling any products to customers at any location not identified on the distributor's List of Calls or Potential Customer List without Mateo's express written authorization, (H) is disabled to the extent distributor cannot perform such obligations hereunder for a period of (6) six consecutive months, or for any (6) six months within a period of (18) eighteen consecutive months, (I) dies, (J) after curing a default pursuant to Section 11.2, commits the same default again within a twelve (12) month period of the previous default, whether or not cured after notice, (K) commits the same or different default under this Agreement, three or more times within any twelve (12) month period, whether or not cured after notice, (L) makes an assignment for the benefit of creditors or if a voluntary or involuntary proceeding is instituted against the Distributor in bankruptcy or under any other insolvency or similar law, or (M) fails to submit to or undergo a drug and/or alcohol test if required by Mateo, or fails the drug and/or alcohol test required by Mateo.
- 11.5 <u>Obligations Upon Termination</u>. Upon the termination or expiration of this Agreement, the Distributor will: pay Mateo all amounts owed by the Distributor to Mateo including interest charged on distributor's Open Purchase Account balance at a rate of 22.5% annually or the maximum rate permitted by

law, whichever is lower; provide Mateo with the inventory amounts and financial information of the Distributorship for the preceding twelve months; immediately cease using all of the Marks and the Business System; provide Mateo with all Customer lists and other information relating to the Customers of the Distributorship; return to Mateo by pre-paid U.S. mail the Manual and all other manuals, software, catalogs, brochures, pamphlets, decals, signs, and other materials provided to the Distributor by Mateo, and/or destroy all electronic versions of such materials and provide verification of such destruction to Mateo; and remove all Marks, logos, graphics and insignias indicating a relationship with Mateo from the Mateo Tmek and all other property of the Distributor. In addition, Mateo may assess Distributor a late fee of S25 per week for each week that the Distributor fails to pay the balance owed on the Open Purchase Account following termination.

- 11.6 Return of Products. Within thirty days following: (A) the expiration or non-renewal of this Agreement, or (B) termination of this Agreement by Mateo or by Distributor, Mateo will, in accordance with Mateo's then-current Product remrn policy, permit the Distributor to return the new and unused Products purchased by the Distributor from Mateo, and the amount of the Products returned will be credited to the Distributor's open purchase account, subject to any fees or changes in accordance with Mateo's then-current Product return policy.
- 11.7 <u>Warranty Returns.</u> During the thirty day period following termination of this Agreement, Mateo will accept Products remmed to it by the Distributor for warranty claim processing in accordance with Mateo's then existing warranty policy.
- 11.8 <u>Non-Solicitation of Customers; Covenant Against Competition</u>. Distributor and Spouse, if applicable, individually covenant that each of Distributor, Spouse, Distributor's employees, and the immediate family members of Distributor and Spouse, except as otherwise approved in writing by Mateo:
- 11.8.1 shall not, during the term of this Agreement, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company, or corporation, own, maintain, operate, engage in, or have any interest in any business which is the same as or similar to a Mateo mobile tool distributorship business, including without limitation, a business that manufactures, sells, and/or distributes any products that are the same as or similar to the Products (referred to herein as a "Competitive Business");
- 11.8.2 shall not, during the term of this Agreement, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company, or corporation, sell or attempt to sell to any customers or Potential Customers of the Distributorship any products that are the same or similar to the Products;
- 11.8.3 shall not for a continuous unintermpted period of one (1) year from the date of: (A) a transfer permitted under Section 10, above; (B) expiration or termination of this Agreement (regardless of the cause for termination); or (C) a final order of a duly authorized arbitrator, panel of arbitrators, or court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to the enforcement of this Section 11.8, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any persons, partnership, limited liability company, or corporation, sell or attempt to sell any Products or any products the same as or similar to the Products to (i) any existing Customer who purchased one or more Products from Distributor during the 12-month period immediately preceding the dates referred to in subclauses (A), (B), or (C) of this Section 11.8.3, or (ii) any Potential Customer, located on, or identified in, the List of Calls and Potential Customer List, as such lists existed, or may have been amended as provided for in this Agreement and in accordance with Mateo's policies, if Distributor had visited or made one or more sales calls to such Potential Customer, List of Calls, or person

or business identified on the Potential Customer List during the 12-month period immediately preceding the date referred to in subclauses (A), (B), or (C) of this Section 11.8.3.

11.9 Action in Lieu of Termination. In the event Distributor is in defauh under this Agreement for failure to comply with any of the terms or conditions of this Agreement, and/or for failure to comply with Mateo's policies, procedures or standards, including, without limitation, the 80% of the National Distributor Purchase Average requirement or the purchase average to sales average ratio, as described in Section 3.3, and Mateo has the right to terminate this Agreement as provided for in this Article 11, then Mateo may, at its sole discretion and in lieu of termination, take any one or more of the following actions (as applied to the Distributor): modify payment or shipping terms; impose new or different or increased interest charges or fees; limit or restrict Distributor's access to special or additional services or products from Mateo; modify product return and warranty benefits; and/or take such other action as Mateo, in its sole discretion, deems appropriate. Mateo may discontinue these adjustments at any time. In addition, if Distributor continues to be in default, and/or subsequently is in default under this Agreement, Matco may pursue any remedy available under this Agreement, as permitted by law, including termination of the Agreement, as provided for in this Article 11.

#### ARTICLE 12 DISPUTE RESOLUTION

- Arbitration. Except as expressly provided in Section 12.5 of this Agreement, all breaches, claims, disputes and controversies (collectively referred to as "breaches" or "breach") between the Distributor, including its Spouse, shareholders, partners or guarantors, and Mateo, including its employees, agents, officers or directors and its parent, subsidiary or affiliated companies, arising from or related to this Agreement, the offer or sale of the franchise and distribution rights contained in this Agreement, the relationship of Mateo and Distributor, or Distributor's operation of the Distributorship, including any allegations of fraud, misrepresentation, and violation of any federal, state or local law or regulation, will be determined exclusively by binding arbitration in accordance with the Rules and Regulations of the American Arbitration Association ("Arbitration").
- Notice of Dispute; Cure Period. The party alleging the breach must provide the other party with written notice setting forth the facts of the breach in detail, and neither party will have the right to commence any Arbitration hearing until such written notice is given. The party alleged to have breached this Agreement will have thirty days from receipt of the written notice to correct the alleged breach. If the alleged breach is not corrected within the thirty day period, then either party will have the right to request Arbitration as provided herein to determine their rights under this Agreement.
- Limitation of Actions; Waiver of Claims. ANY AND ALL CLAIMS AND ACTIONS, BROUGHT BY ANY PERSON OR PARTY, ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP OF MATCO AND DISTRIBUTOR, THE OFFER OR SALE OF THE FRANCHISE AND DISTRIBUTION RIGHTS CONTAINED IN THIS AGREEMENT, OR DISTRIBUTOR'S OPERATION OF THE DISTRIBUTORSHIP, INCLUDING ANY ARBITRATION PROCEEDING, OR ANY CLAIM IN ARBITRATION (INCLUDING ANY DEFENSES AND ANY CLAIMS OF SET-OFF OR RECOUPMENT), MUST BE BROUGHT OR ASSERTED BEFORE THE EXPIRATION OF THE EARLIER OF (A) THE TIME PERIOD FOR BRINGING AN ACTION UNDER ANY APPLICABLE STATE OR FEDERAL STATUTE OF LIMITATIONS; (B) ONE (1) YEAR AFTER THE DATE UPON WHICH A PARTY DISCOVERED, OR SHOULD HAVE DISCOVERED, THE FACTS GIVING RISE TO AN ALLEGED CLAIM; OR (C) EIGHTEEN (18) MONTHS AFTER THE FIRST ACT OR OMISSION GIVING RISE TO AN ALLEGED CLAIM; OR IT IS EXPRESSLY ACKNOWLEDGED AND AGREED BY ALL PARTIES THAT SUCH CLAIMS OR ACTIONS SHALL BE IRREVOCABLY

#### BARRED. CLAIMS OF THE PARTIES FOR INDEMNIFICATION SHALL BE SUBJECT ONLY TO THE APPLICABLE STATE OR FEDERAL STATUTE OF LIMITATIONS.

- Powers of Arbitrator. The authority of the arbitrator will be limited to making a finding, 12.4 judgment, decision and award relating to the interpretation of or adherence to the written provisions of this Agreement. The Federal Rules of Evidence (the "Rules") will apply to all Arbitration hearings and the introduction of all evidence, testimony, records, affidavits, documents and memoranda in any Arbitration hearing must comply in all respects with the Rules and the legal precedents interpreting the Rules. Both parties will have the absolute right to cross-examine any person who testifies against them or in favor of the other party. The arbitrator has the right to award, or include in his or her award, any relief which he or she deems proper in the circumstances, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrator may not declare any Mark generic or otherwise invalid and, except as Section 12.7 below otherwise provides, Mateo and Distributor (and Distributor's owners, if Distributor is not a sole proprietorship) waive any right to or claim for any exemplary or punitive damages. The arbitrator will have no authority to add to, delete or modify the terms and provisions of this Agreement. All findings, judgments, decisions and awards of the arbitrator will be limited to the dispute or controversy set forth in the written demand for Arbitration, and the arbitrator will have no authority to decide any other issues. The arbitrator will not have the right or authority to award punitive damages to Mateo or the Distributor or their officers, Directors, shareholders, partners or personal guarantors (as applicable). All findings, judgments, decisions and awards by the arbitrator will be in writing, will be made within ninety days after the Arbitration hearing has been completed, and will be final and binding on Mateo, the Distributor and the Distributor's officers, Directors, shareholders and personal guarantors. Notwithstanding Section 12.9, the written decision of the arbitrator will be deemed to be an order, judgment and decree and may be entered as such in any Court of competent jurisdiction by either party in any jurisdiction.
- 12.5 <u>Disputes not Subject to Arbitration</u>. The following disputes and controversies between the Distributor and Mateo will not be subject to Arbitration: any dispute or controversy involving the Marks or which arises under or as a result of Article 7 of this Agreement, any dispute or controversy involving immediate termination of this Agreement by Mateo pursuant to Section 11.4 this Agreement, and any dispute or controversy involving enforcement of the covenants not to compete contained in this Agreement.
- 12.6 No Collateral Estoppel or Class Actions. All Arbitration findings and awards expressly made by the arbitrator will be final and binding on Mateo, the Distributor and the Distributor's Spouse, officers, Directors, shareholders, and personal guarantors. The arbitrator's findings and awards may not be used to collaterally estop Mateo, the Distributor or any other party from raising any like or similar issue, claim or defense in any other or subsequent Arbitration, litigation, court hearing or other proceeding involving third parties or other Distributors. No party except Mateo, the Distributor and their officers, Directors, shareholders, Spouse, and personal guarantors (as applicable) will have the right to join in or become a party to any Arbitration proceeding arising under this Agreement, and therefore, the arbitrator will not be authorized to permit class actions (as defined in the Federal Rules of Civil Procedure) or to permit any person or entity that is not a party to this Agreement to be involved in or to participate in any Arbitration hearings conducted pursuant to this Agreement.
- 12.7 <u>Limitation of Damages</u>. EACH OF THE PARTIES HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF FUTURE PROFITS, ARISING OUT OF ANY CAUSE WHATSOEVER, WHETHER BASED ON CONTRACT, TORT OR STRICT LIABILITY, AND AGREES THAT IN THE EVENT OF A DISPUTE, THE RECOVERY OF EITHER PARTY WILL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT.

- 12.8 Waiver of Jury Trials. EXCEPT WHERE SPECIFICALLY PROHIBITED BY STATE LAW, IF ANY DISPUTE IS NOT SUBJECT TO ARBITRATION UNDER THIS AGREEMENT, THEN EACH OF THE PARTIES AGREES THAT THE TRIAL OF ANY LEGAL ACTION ARISING UNDER THIS AGREEMENT OR THE RELATIONSHIP OF THE PARTIES WILL BE HEARD AND DETERMINED BY A JUDGE WHO WILL SIT WITHOUT A JURY. THE PARTIES ACKNOWLEDGE THAT THEY HAVE OBTAINED INDEPENDENT LEGAL ADVICE AS TO THE EFFECT OF THIS JURY WAIVER PROVISION, AND FURTHER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE EFFECT OF THIS JURY WAIVER PROVISION. EITHER PARTY MAY FILE AN ORIGINAL OR COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT BY THE PARTIES TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.
- Venue and Jurisdiction. All Arbitration hearings must and will take place exclusively in Summit or Cuyahoga County, Ohio. All court hearings, mediation hearings or other hearings initiated by either party against the other party must and will be venued exclusively in Summit or Cuyahoga County, Ohio. Mateo and the Distributor, and where applicable their officers, directors and personal guarantors, do hereby agree and submit to personal jurisdiction in Summit or Cuyahoga County, Ohio in connection with any Arbitration hearings, court hearings or other hearings, including any lawsuit challenging the arbitration provisions of this Agreement or the decision of the arbitrator, and do hereby waive any rights to contest venue and jurisdiction in Summit or Cuyahoga County, Ohio and any claims that venue and jurisdiction are invalid. In the event the law of the jurisdictions in which Distributor operates the Distributorship require that arbitration proceedings be conducted in that state, the Arbitration hearings under this Agreement shall be conducted in the state in which the principal office of the Distributorship is located, and in the city closest to the Distributorship in which the American Arbitration Association has an office. Notwithstanding this Article, any actions brought by either party to enforce the decision of the arbitrator may be venued in any court of competent jurisdiction.
- 12.10 <u>Injunctive Relief.</u> Nothing herein contained shall bar Mateo's or Distributor's right to obtain injunctive relief against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.
- 12.11 Severability. It is the desire and intent of the parties to this Agreement that the provisions of this Article be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Article is adjudicated to be invalid or unenforceable, then this Article will be deemed amended to delete that portion thus adjudicated to be invalid or unenforceable, such deletion to apply only with respect to the operation of this Article in the particular jurisdiction in which the adjudication is made. Further, to the extent any provision of this Article is deemed unenforceable by virtue of its scope, the parties to this Agreement agree that the same will, nevertheless be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought, and the scope in such a case will be determined by Arbitration as provided herein.

### ARTICLE 13 MISCELLANEOUS

<u>Waiver</u>. The failure of Mateo to enforce at any time any provision of this Agreement will in no way affect the validity or act as a waiver of this Agreement, or any part, or the right of Mateo thereafter to enforce it. The Distributor acknowledges that Mateo operates a large and diverse distributorship network and that Mateo is not obligated to enforce each distributorship agreement in a uniform manner with respect to the other distributors.

- Notices. Any notice required under this Agreement will be deemed to have been duly given if it is addressed to the party entitled to receive it at the address set forth on the cover page of this Agreement and it is personally served on the party, is sent by pre-paid United States certified mail, return receipt requested, or is sent by a recognized overnight carrier (Federal Express, UPS, Purolator) that requires a signature acknowledging delivery.
- 13.3 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Ohio, and the substantive law of Ohio will govern the rights and obligations of and the relationship between the parties.
- 13.4 <u>Severability</u>. If any term or provision of this Agreement is determined to be void, invalid, or unenforceable, such provision will automatically be voided and will not be part of this Agreement, but the enforceability or validity of the remainder of this Agreement will not be affected thereby.
- 13.5 Entire Agreement. This Agreement, including all exhibits and addenda, supersedes all prior verbal and written agreements between the parties. Subject to our right to modify the Manual and the Business System standards, no change, amendment or modification to this Agreement will be effective unless made in writing and signed by both the Distributor and an officer of Mateo. Nothing in the Agreement or in any related agreement is intended to disclaim the representations Mateo made in the Franchise Disclosure Document.
- 13.6 <u>Definitions</u>. For purposes of this Agreement, the following words will have the following definitions:
  - (A) "Abandon" will mean the conduct of the Distributor, including acts of omission as well as commission, indicating the willingness, desire or intent of the Distributor to discontinue operating the Distributorship in accordance with the Business System and the standards and requirements set forth in the Manual and this Agreement.
  - (B) "Customer" will mean, at any time during the Term of this Agreement, or upon termination, a person or business that has purchased Products from the Distributor within the immediately preceding twelve-month period.
  - (C) "Mateo Tmek" will mean the tmek used by the Distributor solely in connection with the operation of his Distributorship. The Mateo Tmek will at all times during the Term of this Agreement comply with all of Mateo's standards and requirements as to color, size, engine size, storage capacity, graphics, on-board technology and design.
  - (D) "New Distributor Starter Inventory" will mean the initial inventory of Mateo Products required to be purchased by the Distributor.
  - (E) "Operator" will mean the individual engaged or employed by the Distributor for purposes of operating the Distributorship under the terms of any program authorized by Mateo to permit the hiring, by a Distributor, of another person to operate an additional track for the Distributorship.
  - (F) "Potential Customer" will mean an individual who works at a business identified on the Potential Customer List to whom the Distributor intends to offer Products.

#### ARTICLE 14 REPRESENTATIONS BY THE DISTRIBUTOR

- 14.1 Receipt of Completed Agreement and Disclosure Documents. The Distributor acknowledges that he received Mateo's Franchise Disclosure Document at least 14 calendar days prior to the date this Agreement was signed by him, and that he signed the acknowledgement of receipt attached to the Franchise Disclosure Document.
- 14.2 <u>Investigation by Distributor</u>. The Distributor acknowledges that he: has read this Agreement in its entirety; has had full and adequate opportunity to discuss the terms and conditions of this Agreement with legal counsel or other advisors of the Distributor's own choosing; has had ample opportunity to investigate the Mateo Business System; has had ample opportunity to consult with current Mateo distributors; and has had all questions relating to the Distributorship, including those of any advisor, answered to the Distributor's satisfaction.
- Truth and Accuracy of Representations. The Distributor and its Spouse represent and warrant to Mateo that (a) all statements, documents, materials, and information, including the application, submitted by the Distributor or its Spouse to Mateo are true, correct, and complete in all material respects; and (b) neither the Distributor nor its Spouse, nor any of its or their funding sources, is or has ever been a terrorist or suspected terrorist, or a person or entity described in Section 1 of U.S. Executive Order 13244, issued September 23, 2001, as such persons and entities are further described at the Internet website <a href="https://www.ustreas.gov/offices/enforcement/ofac">www.ustreas.gov/offices/enforcement/ofac</a>. The Distributor agrees to promptly advise Mateo of any material change in the information or statements submitted to Mateo. The Distributor acknowledges and understands that Mateo has entered into this Agreement in reliance on the statements and information submitted to Mateo by the Distributor and its Spouse, and that any material breach or inaccuracy is grounds for Mateo's termination of this Agreement.
- 14.4 No Representations. Except as may be disclosed in Mateo's Franchise Disclosure Document, the Distributor has not received from either Mateo, or anyone acting on behalf of Mateo, any representation of the Distributor's potential sales, income, profit, or loss which may be derived from the Distributorship. The Distributor understands that Mateo will not be bound by any unauthorized representations, including those made by other Mateo distributors or by lending institutions based on information given to them to assist in their evaluation of Mateo's business opportmity.
- 14.5 No Warranty of Success. The Distributor understands that Mateo makes no express or implied warranties or representations that the Distributor will achieve any degree of financial or business success in the operation of the Distributorship. While Mateo will provide the Distributor with training, advice, consultation, and a list of potential customers, success in the operation of the Distributorship depends ultimately on the Distributor's efforts and abilities and on other factors beyond Mateo's control, including, but not limited to, economic conditions and competition.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed on the date set forth above. The Distributor further acknowledges that this Agreement will become effective and binding only upon acceptance and execution by Mateo in the State of Ohio.

DISTRIBUTOR:	NMTC, INC. d/b/a MATCO TOOLS
Ву:	By:
Name:	Name:
Title:	Title:
Date:	Date:
DISTRIBUTOR'S SPOUSE:	
By:	_
Name:	_
Title:	_
Date:	

#### APPENDIX D EXHIBIT A

# MATCO TOOLS LIST OF CALLS AND POTENTIAL CUSTOMER LIST

(See attached form)

#### APPENDIX D EXHIBIT B

[RESERVED]

NMTC, Inc. d/b/a Mateo Tools

#### INSTALLMENT PROMISSORY NOTE

APPENDIX D EXHIBIT C

		Miami (Debtor's City	<del></del>	
\$ 72,000.0 (Principal An				, 2009
FOR VALUE RECI	EIVED, the undersigned promises to p	pay without defalcation or set off t	to the order of NM	TC, Inc. d/b/a
MATCO TOOLS, a	Delaware Corporation ("MATCO"),	located at 4403 Allen Road, Stow	v, Ohio 44224, in l	awful money of
the United States of	America, the amount of Sev	enty-Two Thousand and 00/100	Dollars (\$	<i>72,000.00</i> ),
together with interes	t thereon at an annual rate of	Eight Point Twenty-Five	Percent (8.	.25 %) on the
successive unpaid ba	alances of said principal amount in	Five Hundred Twenty	( <u>520</u> )s	uccessive weekly
installments of	Two Hundred Three and 76/100	Dollars (\$	commencing on	
On	,, the e	entire remaining principal balance	, plus any accrued	and unpaid
interest will be due a	and payable.			
unpaid balances of t the maturity hereof	specified herein shall continue to ac he principal amount or installments the The undersigned shall have the rig	nereof until such overdue amounts	s are paid in full, v	whether at or after

The undersigned shall be in default under this Note upon the happening of any of the following events or conditions:

- (a) Any installment of principal or interest on this Note is not paid when due or upon demand as aforesaid:
- (b) The failure of the undersigned to pay its debts as they mature, or the occurrence of any event which results in die acceleration of the maturity of the indebtedness of the undersigned to others under any indenture, agreement, or undertaking;
- (c) The cancellation of or <u>default by the undersigned under that certain</u> Distributorship Agreement, between Mateo and the imdersigned <u>or any other agreement, note, lease, or contract between the undersigned and Mateo</u> or any subsidiary or affiliate of Mateo, <u>or the failure of the undersigned to perform any other obligation of the undersigned</u> to subsidiary or affiliate of Mateo;
- (d) The dissolution, termination of existence, insolvency, business failure appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceedings under any bankruptcy or insolvency laws by or against, the undersigned or any guarantor of surety for the undersigned.
- (e) The failure of the undersigned to have this note fully collateralized at all times.

Upon default hereunder, the entire principal amount unpaid hereon, with interest then accmed, shall, at the option of any holder hereof, at once become due and payable without demand, or notice, demand and notice being hereby expressly waived, and such amounts of principal thereby declared to be due and payable shall thereafter continue to bear interest at the rate specified herein until all such amounts of principal plus interest accrued hereunder shall have been paid in full. Payments made hereon shall first be applied to payment of interest then accrued and then to die principal amount which remains unpaid.

The makers, endorsers and all guarantors of this Note jointly and severally waive demand, protest, presentment, notice of protest and non-payment or dishonor, and also waive any and all defenses on the grounds of any extensions or partial payments which may be granted or accepted by the holder before or after maturity of this Note or any installment hereof. Any rights or remedies conferred herein or by law upon any holder shall be cumulative and not exclusive and may be exercised at the option of the holder, either concurrently or consecutively.

Should legal action or an attorney at law be utilized to collect any a costs of collection. Including reasonable attorney's fees, incurred by holder.			
The undersigned, if more than one, shall be jointly and severally liable	hereon. This note is governe	d by Ohio law.	
WITNESS:			
	X Debtor:		
	Dector:		
	Debtor:	<u></u>	
	Debtor's Address:		
	(3	Street)	<del> </del>
	(City)	(State)	(Zip)
IN CONSIDERATION OF ONE DOLLAR, receipt of which is act extension of time made by or upon the within note, the unders unconditionally guarantee to the holder the payment thereof whenever therefor shall impair or be a defense to this guaranty and hereby conserpayment of said note be extended in whole or part. The signature or sendorsement of the within instrument as will as the execution of the forespectively waive presentment, demand or payment, protest, and notice	igned (if more than one jo r due, in whole or in part, agr nt that from time to time, with ignatures of the undersigned horegoing guaranty by each of	ointly and severa ee that no release out notice to the u hereto is or are into the undersigned,	lly) hereby of security ndersigned, ended as an
			<del></del>
			·



#### **SECURITY AGREEMENT**

APPENDIX D EXHIBIT D

Stow, Ohio 44	1224, ("Secured Part	ty") and	0	of _		0	
City of	0	County of	0	State of	0	("Debtor").	
hereby grants	to Secured Party and liabilities of what	a security interest in the ever nature accruing und	e Collateral desc ler the Mateo To	ribed in Section ols Distributorship	2 to secon p Agreem	d/or financing faciliries to Debtor, Dure all Debtor's present and future of the signed by the parties on rindirect, absolute or contingent, due	debts,
	ie, whether now ex	isting or hereafter arisin	ig, together with	applicable interes	est thereo	on ("Obligations"), to Secured Party.	This
Agreement sh	all not be rendered	void by the fact that as o	f any particular d	late there are no o	utstandin	ig secured obligations, and no commit	tment
by Secured P	arty to make advan	ices. If at such time add	litional future ad	vances are conte	inpiated b	by the parties hereto, or any of them	ட, this
Agreement sh	all, if otherwise val	id, continue in force and	l effect, insofar a	s concerns, and st	and as se	curity for, any indebtedness, liabilitie	s and
obligations of	f Debtor to Secure	d Party, incurred as aris	sing prior to the	filing of record	of a tern	nination statement with respect here	to, as
required by la	w, Debtor hereby in	structs the Secured Party	y not to file a ten	mination statemer	nt until rea	quested to do so by Debtor in writing.	
with all proc otherwise. The account, as an	eeds arising there f ne Collateral is more and when executed, u	from, whether as a resu e specifically described which are by reference ma	It of the sale ex in Debtor's purch ade a part hereof	change, collectionase orders, invoi	n or othe	ntangibles and accounts receivable tog er disposition of any of the Collater odic inventories, and books and recor	ral, or
(a) Owner free of any all persons	ship-except for the a y adverse encumbra s at any time claimin		granted, Debtor I nterests, and that st therein.	has, or in acquisi Debtor will defe	nd the Co	have, full fee simple title to the Colla ollateral against all claims and donar	
	e of Addresses-De	_				change or discontinuance in any of	such
the excep	tion of the following	ng lien by none	but Mateo			teral is on file in any public office, wi	
						pair and not permit its value to be imp	
_						urity interests); defend it against all	
_			<del>-</del> -			xes, license fees, levies, and other ch	
						er goods except in the ordinary cou	
						olation of any applicable law, regulati	on, or
		r damage to the collatera					1
fire(includ		age), theft and other cas				respect to all Collateral against ris; such insurance to be payable to Se	

4. FINANCING STATEMENT. At the request of the Secured Party, Debtor will join in executing, or will execute, all necessary financing statements and any other documents deemed necessary by Secured Party and pay the cost of filing such statements or other documents.

assets nor divert such proceeds for any other purpose whalever.

(g) Proceeds of Notes-in the event duat any of the Collateral is being or shall be acquired with the proceeds disbursed by Secured Party of a note or notes, Debtor shall use such proceeds solely for acquisition of Collateral and shall not mingle such proceeds with Debtors other

5. PERSONS BOUND. This Agreement benefits Secured Party, its successors and assigns, and binds the Debtor(s) and their respective heirs, personal representarives, successors, and assigns.

- 6. PAYMENT. Payment for all OBLIGATIONS shall be made in accordance with the terms of the Agreement under which they accrued. Interest on all OBLIGATIONS shall accrue from the date the OBLIGATION was incurred until payment in full by Debtor at the rate published by Secured Party from time to time.
- 7. POSSESSION OF COLLATERAL. Until default Debtor may have possession of the Collateral and use or sell it in the ordinary course of Deblor's business, in any lawful manner not inconsistent with this Agreement.
- 8. INSPECTION OF COLLATERAL. Secured Party is authorized to examine and inspect the Collateral wherever located at any reasonable time or times, and Debtor shall assist Secured Party in making such inspection, which may include a physical inventory.
- 9. REQUIRED REPORTS. Debtor will provide necessary business reports as requested by Secured Party field and/or Corporate Management,
- 10. MAINTENANCE OF SECURITY INTEREST. Debtor shall pay all expenses and, upon request, take any action reasonably deemed advisable by Secured Party to preserve the Collateral or to establish, determine priority of, perfect, continue perfected, terminate, or enforce Secured Party's interest in it or rights under this Agreement.
- 11. AUTHORITY OF SECURED PARTY TO PERFORM FOR DEBTOR. If Debtor breaches or fails to perform, as when required, any provision of this Agreement or the OBLIGATIONS, Secured Party is authorized, in Debtor's name or otherwise, to take any such action including without limitation signing Debtor's name or paying any amount so required, and the cost chall be one of the OBLIGATIONS secured by this Agreement and shall be payable by Debtor upon demand with interest from the date of payment by Secured Party at, Secured Party. At the rate published from time to time by Secured Party.
- 12. DEFAULT. Debtor shall be in default under this agreement upon the happening of any of the following events or conditions:
  - (a) Default in the payment or perlbmance of any obligation, covenant, liability and/or the OBLIGATIONS contained or referred to herein or in any note evidencing the same;
  - (b) Any warranty, representation or statement made or furnished to Secured Party by or on behalf of Debtor proves to have been false in any material respect when made or furnished;
  - (c) Any event which results in the acceleration of the maturity of the indebtedness of Debtor to others under any indenture, agreement or undertaking;
  - (d) Loss, theft, damage, destruction, sale except in the ordinary course of business, or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon;
  - (e) Death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of treditors by, or the commencement of any proceedings under any bankruptcy or insolvency laws by or against, Debtor or any guarantor or surety for Debtor.
  - (f) The failure of the undersigned to have this note fully collateralized at all times.
- 13. DEBTOR'S DEFAULT. Upon default herennder or cancellation of the Mateo Tools Distributorship Agreement between the parties, if any, or default by Dehtor under said Agreement, all the OBLIGATIONS shall at the option of the Secured Party and without any notice or demand, become immediately due and payable; and Secured Party shall have all rights and remedies for default provided by the Uniform Commercial Code, as enacted in the State of Ohio, as well as any other spolicable law. With respect to such rights and remedies:
  - (a) Assembling Collateral-Secured Party may require Debtor to assemble the Collateral and to make it available to Secured Party at any convenient place designed by Secured Party.
  - (b) Notice of Disposition-Written notice, when required by law, sent to any address of Debtor in this Agreement at least ten calendar days (counting the day of the sending) before the date of a proposed disposition of the Collateral is reasonable notice.
  - (c) Expenses and Application Proceeds-Debtor shall reimburse Secured Party for any expense incurred by Secured Party in protecting or enforcing its rights under this Agreement, including without limitation reasonable attomeys' faes and legal expenses and all expenses of taking possession, holding, preparing for disposition, and disposing of the Collateral. After deduction of such expenses, Secured Party may apply the proceeds of disposition to the OBLIGATIONS in such order and amounts as it elects.
  - (d) Waiver-Secured Party may permit Debtor to remedy any default without waiving die default so remedied, and Secured Party may waive any default without waiving any olher subsequent or prior default by Debtor, or the same default at a later date.
- 14. NON-LIABILITY OF SECURED PARTY. Secured Party has no duty to protect or dispose of the Collateral. Debtor releases Secured Party from any liability for any act or omission relating to the OBLIGATIONS, the Collateral, of this Agreement; except Secured Party's willful misconduct.
- 15. DEALERSHIP AGREEMENT. The terms of the current Mateo Tools Distributorship Agreement between the parties, if any, are herehy incorporated by reference and shall be part of this Security Agreement unless otherwise provided. No provisions herein shall amend the Mateo Tools Distributorship Agreement or guarantee its continuance or renewal; and, likewise, no term therein shall be deemed to modify or amend the terms hereof. In the case of any conflict or ambiguity between the terms of the Mateo Tools Distributorship Agreement and this Agreement, the terms of this Agreement shall control.

16. MISCELLANEOUS. This Security Agreement shall be governed by the Uniform Corunercial Code and other applicable laws of the State of Ohio, other than the law on conflicts of law of such State. The terms of this Agreement are severable; in the event one or more terms hereof are finally declared by law or by any court of competent jurisdiction to be legally void, unenforceable, unconscionable or illegal, the remainder of this Agreement shall continue to be valid and shall be interpreted and enforced as if the offending term had not appeared herein. This Agreement, together with any document containing terms incorporated herein or referred to hereby, shall constitute the entire Agreement between Debtor and Secured Party as to the subject matter hereof. This Agreement shall become effective when signed by the Debtor. Secured Party may sell or assign this Agreement to any person or corporation without prior notice to or consent of Debtor, and Debtor agrees to perform under this Agreement for the benefit of such purchaser or assignee from Secured Party to the same extent as for Secured Party.

#### **MATCO TOOLS**

Signed by Debtor on	, BY		
	<del></del>	(Name & Title)	
Debtor	·	Richard Smearched	<del></del>
0		Director, Financial Serv	vices
Debtor			
Wr			
Witness	<del></del>		
Witness	·		
All additional addresses of Debtor at which Collateral	will be kept are:		
Street:	Street:		
City.			
County:	County:		
State:	Centar		
ASSIGNMENT			
For value received, the undersigned Security Party F	nereby assigns this Security Agr	eement to	hereafter called
"Assignee", its successors and assigns and hereby tra	nsfers title to the property descri	bed in said Security Agreement	t to said Assignee, and
warrants that the facts ser forth in the Security Agreem			
kind except the lien and encumbrance created by this	Security Agreement; that said S	ecurity Agreement is genuine a	nd in all things what it
purports to be and that the undersigned has title to s			
Security Agreement was sold to the Debtor in a bon contract; that none of the parties thereto is a minor; at	a fide time sale transaction; that	all parties to the Security Agra	eement nad eapacity to
Security Agreement or renders it less valuable or valu	eless. If any of the warranties her	ein contained are untrue, the im	dersigned will nurchase
on demand this Security Agreement for the balance rer		on contained the diabet, are the	detelblied with perende
	This	lay of	,20
	<del></del>		
	Ву		
		Titie	

#### **MATCO TOOLS**

# DISTRIBUTOR'S PURCHASE-SECURITY AGREEMENT CREDIT ASSIGNMENT AGREEMENT

THIS	AGREEMENT, made and entered into at Stow, Ohio, this	day of	<u> </u>
by an	between NMTC, Inc. d/b/a MATCO TOOLS, a Delaware Co	orporation (herein refer	ed to as "Assignee"), and
	of:	,,	(herein
referr	d to as "Distributor").		
WITN	ESSETH, That		
referr	REAS, Distributor is and has been serving as an independent of d to as MATCO TOOLS, engaging in the solicitation for si sional mechanics; and	·	
	REAS, Assignee is willing to provide financing for certain es with the terms and conditions contained in this Agreement;		ovided Distributor agrees to and
NOW	THEREFORE, the parties hereto agree as follows:		
	1. From time to time after the date hereof, Distributor shall	l present to Assignee f	or purchase executed credit

- 1. From time to time after the date hereof, Distributor shall present to Assignee for purchase executed credit documents and related materials, in form and substance satisfactory to Assignee, providing for the assignment to Assignee of rights to collection of amounts payable representing the time purchase balance due in connection with the sale by Distributor of tools, equipment and/or related products purchased from MATCO TOOLS. Upon receipt of such documents and materials, it shall be within the sole discretion of Assignee whether or not to purchase the same, and nothing herein shall be construed as imposing any obligation upon Assignee to make any purchases from Distributor.
- 2. The purchase price to be paid to the Distributor by Assignee for credit documents accepted for assignment shall be determined by Assignee in its sole discretion, such price will be adjusted periodically and never be less than eighty-five percent (85%) of the net cash price (principal amount of purchase included in the credit document being accepted by Assignee not including amounts previously assigned) thereof unless otherwise specified by MATCO TOOLS. Upon acceptance of any such documents, payment shall be effected by Assignee arranging for immediate credit against Distributor's purchase account with MATCO (amounts due MATCO in the ordinary course of business, exclusive of amounts outstanding under notes or other credit documents provided under other debt agreements between Distributor and MATCO) and a confirming document will be forwarded to Distributor.
- 3. Distributor hereby warrants and represents to and agrees with Assignee as follows:
  - (a) All credit documents presented to Assignee for assignment hereunder shall be full, correct, complete and genuine, and shall be fully and properly executed, shall accurately and truthfully describe the date(s) of purchase, items purchased and purchase price(s) charged and shall not have been offered previously to any other financial institution or other entity for purchase or as collateral against advances;

- (b) All credit documents presented to Assignee for assignment hereunder shall relate to and arise from the sale of MATCO TOOLS, equipment and/or related products sold and to be utilized primarily for the Commercial conduct of trade or business of the customer executing such document and in no event shall any such credit documents have arisen from or relate to any sales of products for primarily personal family or household purposes, or sales of products marketed by any entity other than MATCO;
- (c) Without prior written consent of the Assignee, Distributor shall in no event nor at anytime prior to or after a sale of products, modify the terms of any instrument purchased by Assignee;
- (d) Distributor shall at all times, as an independent contractor, operate in his own name and be solely answerable for the costs and expenses, consequences and damages arising out of the conduct of his business as a distributor for MATCO;
- (e) Distributor shall at all times comply with the procedures from time to time established by Assignee with respect to credit limits, handling of credit documents and other activities related to financing of sales of MATCO products as contemplated hereunder;
- (f) The Distributor may elect to assist Assignee in making repossessions if and when requested to do so by Assignee provided repossession can be effected without Breach of Peace;
- (g) It is mutually agreed that, upon Assignee's request to make a particular repossession and upon Distributor's election to assist in such repossession, Distributor shall purchase the repossessed merchandise from Assignee. The purchase price of the repossessed product(s) shall be determined by the Fair Market Value established pursuant to MATCO's Repossession Policy, as same may be revised from time to time, and such purchase by the Distributor shall be subject to the Policy's terms and conditions.
- (h) Distributor agrees that upon termination or suspension of this Agreement to accept reassignment by Assignee to Distributor of any and all contracts previously purchased during the ninety (90) day period immediately prior to termination of this Agreement. Distributor hereby agrees to accept such assignment without set-off or deduction and authorizes Assignee to debit Distributor's purchase account in an amount equal to the amounts due on the reassigned documents;
  - In the event that a replacement Distributor, who agrees to service the above referenced accounts, is available, then MATCO will offer to re-purchase such serviced accounts at the principle value then outstanding. MATCO will make a good faith effort to locate a Distributor to service any reassigned accounts per the conditions of this paragraph with the intention to repurchase such accounts;
- (i) Distributor agrees that at such time that he is no longer acting as an independent Distributor for MATCO TOOLS to assist in the orderly transfer of accounts not subject to the conditions of paragraph (i) to Assignee, and to assist in the verification of all outstanding balances of assigned accounts prior to settlement of all accounts with MATCO TOOLS;
- (j) Distributor agrees to collect and remit to Assignee amounts payable representing the time purchase balance due in connection with the sale by Distributor of tools, equipment and/or related products purchased from MATCO TOOLS and financed pursuant to this Agreement; and
- (k) Distributor agrees to service all MATCO TOOLS P.S.A. Accounts existing within his Exclusive List Of Calls and Potential Customer List whether the original contract was written by Distributor or not.
- 4. Upon acceptance of the credit documents hereunder, Assignee hereby releases Distributor from all liability for said credit documents except as provided in Paragraph 3; subject, however, to the following terms and conditions:
  - (a) Upon failure by Distributor to remit payments or other funds collected on behalf of Assignee, pursuant to Paragraph 3 (d) above, Distributor hereby authorizes Assignee and MATCO to debit Distributor's Purchase Account with MATCO in an amount or amounts equal to the sums collected but not remitted. In addition, MATCO may charge Distributor an administrative fee (currently set at \$25 per occurrence, per contract) for delinquent, insufficient payments or inaccurate reporting as consideration for MATCO's time and efforts in collecting monies, additional correspondence with you, credit bureaus and others, and administrative time and costs to correct data. Any amounts not remitted by Distributor within 10 days of their collection shall be deemed funds not promptly remitted and subject to this provision;

- (b) Any documents, notes, agreements or other contracts assigned by Distributor to Assignee pursuant to this Agreement which are later shown or alleged to be, in whole or in part, altered, amended, modified, forged, or not genuine, accurate, or in compliance with the terms of this Agreement in any respect, shall be immediately reassigned by Assignee to Distributor and upon such reassignment Distributor hereby agrees to accept such assignment and immediately, without set-off or deduction of any kind, agrees to pay Assignee the fill amount of any principal balance then outstanding thereon plus interest, and other charges accmed thereon to the date of such reassignment. Upon failure by Distributor to pay Assignee as stated above upon any reassignment of documents within 10 days of the date of reassignment, Distributor hereby authorizes Assignee and MATCO to debit Distributor's Purchase Account in an amount equal to the amounts due on the reassigned documents. This Paragraph (b) shall not apply in the case when Assignee has, by its own action, or with its written consent, been a party to an amendment or modification of any document, note, agreement or other contract; and
- (c) Distributor shall not, without prior written consent of Assignee, release any security interest in goods subject to documents assigned to Assignee hereunder, modify or substimte collateral specified in any such documents, consent to or accept return of any goods or collateral subject to or covered by any of the assigned documents or effect repossession of any such goods or collateral. Any of the foregoing actions on the part of Distributor, without the written consent of Assignee, shall be deemed to be an alteration of the documents pursuant of Paragraph 4 (b) above.
- 5. In the event Distributor desires to include portions or all of an impaid balance owing to Distributor by a particular customer with new purchases by the customer, and assign all such amounts to Assignee pursuant to this Agreement, such a proposal will be considered, provided the total net cash price of new purchases will equal or exceed minimum amounts as may be required under the policies of the Assignee. If Distributor desires to make such a proposal, he shall do so in writing, including therewith a completed credit application, as may be required by the Assignee, on the customer and a copy of the customer's ledger sheet showing charges, credits, total owing, and payment records, and such other information relating to the customer or transactions as Assignee may reasonably request. The decision on acceptance of the proposal shall be within the sole discretion of Assignee.
- 6. The liability of Distributor hereunder shall not be affected by any settlement, extension, forbearance or variation in terms which Assignee may grant in connection with any credit documents acquired hereunder or by the discharge or release of the obligations of the account debtor by operation of law or otherwise. Assignee makes no representation or warranty to Distributor concerning the validity, enforceability or sufficiency of any credit documents and/or other materials furnished to Distributor by Assignee.
- 7. This Agreement may be terminated at any time by Distributor or Assignee by written notice, but such termination shall not affect the respective rights and obligations of either party as to credit documents theretofore purchased by Assignee.
- 8. It being anticipated that Distributor and/or other parties to credit assignment agreements with Assignee may assign to Assignee credit documents covering sales to a particular customer which occurred on more than one occasion, it is understood and agreed that, unless otherwise agreed in writing between Assignee and Distributor or required by law, payments received from such a customer will be applied against the respective payment obligations of the customer in a manner such that all current and past due obligations under the documents bearing the earliest date will be treated as satisfied first, all current and past due obligations under the documents bearing the next-earliest date will be treated as satisfied next, and so-on, with the current and past due obligations under documents bearing the most recent date being treated as satisfied only after current and past due obligations under documents bearing earlier dates have been satisfied.
- 9. This Agreement contains the entire understanding of the parties with respect to the transactions contemplated hereby and the same shall be amended or modified only by written agreement specifically referring hereto. None of the provisions hereof shall be deemed to in anyway limit such rights as either pany hereto may have by statute or at law or in equity as against the other party, and any remedies provided for herein shall be in addition to and not exclusive of any other remedy available by stamte or under principles of common law of equity and such remedies may be exercised by either party consecutively or concurrently and such exercise shall not be deemed to waive any other rights or remedies which may be available to a party.

10.	This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective
	heirs, successors and assigns, provided however, the same shall not be assigned by the Distributor without
	prior written consent of Assignee thereto.

11	This Agreement sha	II be governed by	and construed in a	ccordance with the	laws of the State of Obje
	. THIS APPECEMENT SHA	H DE PUVEHICH DV	ana constiuca ili a	CCURGANCE WITH THE	HAWS OF THE STATE OF COME

IN WITNESS WHEREOF, the parties hereto caused this Agreement to be executed as of the date and year fust written above.

SIGNED IN THE PRESENCE OF:	NMTC, Inc. d/b/a MATCO TOOLS	
	ВУ	
	Richard Smearcheck	
	ITS: Director, Financial Services	
	DISTRIBUTOR:	
	<u>X</u>	
	(signamre)	
	(printed name)	
	(address)	

#### **MATCO TOOLS**

### DISTRIBUTOR'S PURCHASE-SECURITY AGREEMENT CREDIT ASSIGNMENT AGREEMENT

#### "ADDENDUM AND GUARANTY"

Distributor's Purchase Security A	Agreement Credit As	ssignment Agr	reement made and entered into on the	
	by and between NMTC, Inc. d/b/a MATCOTOOLS, a			
Delaware Corporation (herein re				
of,	,		(herein referred to as Distributor)	
is amended and revised this	day of	,,	(herein referred to as Distributor) as follows:	
Mateo Tools, herein referred to a MATCO tools and related equip	as MATCO TOOLS ment to professional	engaging in the mechanics; a		
	to make purchases o		ts customers, which do not meet credit ols and related equipment and pay for	
WHEREAS, Assignee is willing agrees to and complies with term			fisuch purchases, provided Distributor Agreement.	
NOW, THEREFORE, the parties	s hereto agree as foll	ows:		
	credit standards (here	ein referred to	to accept Purchase Security Agree- as Recourse PSA) normally required	

2. The purchase price to be paid to the Distributor by Assignee for Recourse PSA's shall be deter-

mined by Assignee in its sole discretion, such price will be adjusted periodically and never be less than ninety-five percent (95%) of the net cash price (principal amount of purchase included in the credit document being offered to Assignee, not including amounts previously assigned) thereof.

3. Distributor hereby warrants and represents and agrees with Assignee as follows:

unless otherwise specified by MATCO TOOLS.

(a) Distributor hereby authorizes Assignee to debit Distributor's Purchase Account for the principal balance due on any and all Recourse PSA's when any of the following conditions exist-termination, promotion to District Manager, collateral does not exist, account balance has been paid in full to Distributor and/or fraudulent credit documentation.

- (b) Distributor guarantees that Assignee will not suffer any loss on the purchase by Assignee o Recourse PSA's (Distributor's customers which do not meet credit standards required by Assignee).
- 4. This Agreement contains amendments to Distributor's Purchase Security Agreement Credit Assignment Agreement and does not change, revise, cancel or amend any part of said Agreement with the exception of those herein stated.

IN WITNESS WHEREOF, the parties hereto caused this Agreement to be executed as of the date and year first written above.

SIGNED IN THE PRESENCE OF:	NMTC, Inc. d/b/a MATCO TOOLS
	Richard Smearcheck ITS Director, Financial Services
	DISTRIBUTOR:
	(signature) X
	(print name)
	(address)

```
Joe Distributor
         DISTRIBUTOR # 411116
         3/2/2008 2:56:06PM
                Matco
                 PSA
                 INV 1
         Section 1 - Buyer
  _____<del>_</del>
                                1
  Doe, John
                               MYCAR
  My Car USA
 M320200022
                             PENDING
  1285 Any Street
  Anywhere, OH 44224-
             REPRINT
  _______
      Section 2 - Goods Sold
  _____
Item QTY Amount Comment MB7525 1 5105.00 S/N 123456
   CUSTOM 2 BAY ROLLAWAY
  _____
   Purchases: 5105.00
                   370.11
   Tax:
    Freight/Labor:
                      0.00
            5475.11
   Total:
  _____
     Section 3 - Payment Schedule
  ______
| No. of ! Amount | Total | Weekly |
| Weekly of Each | of Payments
|Payments | Payments | Commence
| 203 | 36.30 | 7550.40 | 03/09/08
     Section 4 - Terms Of Sale
  _____
(A) Total Cash Price
                               5105.00
(E) Trade In
                                0.00
Subtotal (A-E) 5105.00
(C) Sales Tax of 7.250% 370.11
(D) Cash Down Payment 511.00

      (E) Net Cash Price
      4964.11

      (F) Administration Fee
      30.00

      (G) Net Due On Prior PSA
      0.00

      (H) Principal Balance
      4994.11

      (I) Time Price Differential
      2556.29

(E) Net Cash Price
                              4964.11
(J) Total Time Purchase Balance 7550.40
   ______
        Next Weekly Pmt. Due:
            ***36.30***
```

Matco Tools

BUYER ACKNOWLEDGES RECEIPT OF THE GOODS LISTED ABOVE AND A COMPLETELY EXECUTED COPY OF THIS AGREEMENT AND WARRANTS THAT THESE GOODS ARE PURCHASED PRIMARILY FOR USE IN THE COMMERCIAL OPERATION OF HIS TRADE OR BUSINESS AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD USE.

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS ON THE MASTER AGREEMENT, WHICH IS ON FILE AT MATCO TOOLS, A COPY OF WHICH HAS BEEN GIVEN TO THE BUYER AND IS INCORPORATED HEREIN AS PART OF THIS AGREEMENT.

Buyer/End üser
Date:
THIS AGREEMENT IS ACCEPTED BY SELLER AND HEREBY ASSIGNED UNDER THE TERMS OF THE ASSIGNMENT ON MASTER AGREEMENT.
Distributor/Secured Party (Seller)  Date:
Joe Distributor Authorized Matco Tools Distributor Business Phone: (300) 555-1212 Pager: (300) 555-5757
Matco Tools

P.O. Box 99999 Metropolis, Ohio 99999



# NMTC, INC. (D/B/A MATCO TOOLS) 4403 ALLEN ROAD, STOW, OHIO 44224 PURCHASE MONEY SECURITY -- MASTER AGREEMENT

Name	Address	
Phone	City, State, Zip	
this trade and business and not for personal, family or household use. Buye	reement and warrants that all Goods are purchased primarily for use in the commercial oper authorizes Seller/Distributor and/or his assignees as interested parties as permitted to report and exchange credit information now and in the future concerning his/ber performance.	l by law to
This Agreement is subject to the terms and conditions set forth herein and the executed and become effective when both Buyer and Seller agree to the sale	terms and conditions set forth in all fumre MDBS-PSA Sales Receipts. This Agreeme of the Goods described therein and such Goods have been delivered to and accepted	ent shall be by Buyer.
Buyer/End User	Date	
This Agreement is accepted by Seller and hereby assigned under the terms of	of the assignment stated below.	
Distributor/Secured Party	Date	
the Buyer named herein. The undersigned waives notice of acceptance of this	ntract, the entire amount owing with respect to such Contract, in the event of default in p s guaranty, notice of any extensions in time of payment, notice of salc of any of said prop- aranteed amounts upon demand without requiring any proceeding against Buyer.	payment by erty and all
[Guarantor]	Date	

Seller's Assignment to MATCO TOOLS (Hereinafter called Assignee)

FOR VALUE RECEIVED, and subject to the terms of agreement with Assignee, Seller does hereby sell, assign and transfer the Security Agreement set forth above and all Receipts (collectively, the "Contracts") and all Seller's security interest and lien in and right and title to the Collateral described therein to NMTC, Inc. (d/b/a/ MATCO TOOLS), its successors and assigns (collectively, "Assignee"), with power to take legal proceedings in the name of Seller or Assignee. Seller warrants that the Contracts are genuine and in all respects what they purport to be; that the down payment was made by the Buyer in cash and not its equivalent, unless otherwise noted therein, and that no part thereof was loaned directly or indirectly by Seller to Buyer, that said Collateral is free from any other security interest or other liens or encumbrances whatsoever, except as created by the Contracts, that the Buyer was of at least legal age at the time of his execution of each of the Contracts, that Seller knows of no time or instance when Buyer was refused or rejected for credit; and that there is now owing with respect to the Contracts the respective amounts set forth therein. Upon breach of any of the foregoing warranties, Seller will, upon demand therefor, purchase the Contract for the respective amounts owing with respect thereto, plus all costs and expenses paid or incurred by Assignee with respect thereto. Ail remedies of Assignee shall be cumulative and not alternative.

Seller guarantees the payment, when due, to any Holder of said Contract, the entire amount owing with respect to such Contract, in the event of default in payment by the Buyer named therein, if required and appropriate in accordance with a Credit Assignment Agreement of Seller with Assignee, the terms of which are incorporated herein. Seller waives notice of acceptance of this guaranty, notice of any extensions in time of payment, notice of sale of any of said property and all other notices to which Seller may be entitled by law and agrees to pay all guaranteed amounts upon demand without requiring any proceeding against Buyer. Seller warrants that the description of the Collateral listed on the Contracts/Receipts is accurate and complete.

#### Terms and conditions of Sale/Security Agreement.

- I. The Seller/Distributor (which term shall mean Seller and any assignee or Holder hereof, as the case may be) hereby sells, and the Buyer/End User (hereinafter known as Buyer) jointly and severally if more than one, hereby purchases, subject to the Terms and Conditions set forth herein and on the reverse hereof, the Tools and Equipment described on the reverse and herein called "Goods", delivery and acceptance of which are hereby acknowledged by Buyer, and subject to conditions stated herein and stated in subsequent MDBS-PSA Sales Receipts (collectively, the "Receipts"), the tools and equipment described in the Receipts, also herein called "Goods", delivery and acceptance of which is hereby acknowledged by Buyer.
- Buyer agrees to pay MATCO, in accordance with the terms set forth in the applicable Receipts. Buyer agrees to pay the Time Purchase Balance, which includes a Time Price Differential (as such documented in the Receipt), which is an interest charge, in consecutive weekly installments as scheduled until the entire Time Purchase Balance has been paid in Iull. Buyer may make more than one scheduled payment at a time, but no partial payments will be accepted by the Seller. Buyer may pay the entire unpaid balance at any time.
- 3. In the event Buyer pays the full amount due and stated as the Time Purchase Balance before the last scheduled payment is due, Seller shall credit Buyer's accounts with Seller or refund to Buyer in cash (if Buyer has no unpaid accounts outstanding with Seller or such early payment is not done in conjunction with another Purchase Money Security Agreement with Seller) such portion of the Time Price Differential, if any, to which Seller has not then become entitled, as calculated pursuant to the Rule of 78's calculation.
- 4. To secure the payment of the Time Purchase Balance and of any other amounts owing hereunder (collectively. "Obligations"), Buyer hereby grants to Seller and any Holder hereof a purchase money security interest and lien in and to the Goods described on the reverse and herein or in any other Receipt, and in addition, the right to file a UCC-1 Financing Statement creating an additional lien in all tools and equipment now owned by Buyer for use in Buyer's trade or business, together with any and all similar tools and equipment hereafter acquired, except where prohibited by law, and all products and proceeds thereof (including, without limitation, any insurance proceeds) (collectively, the "Collateral").
- Buyer agrees to (a) maintain insurance reasonably acceptable to Seller with respect to the Collateral and, upon Seller's request, provide Seller with evidence of such insurance, (b) execute financing statements, continuation statements and other documents as Seller shall deem necessary to perfect or protect its security interest in the Collateral, and in addition, hereby authorize Seller or its agents or assigns to execute and file, without the signature of Buyer, one or more such financing statements if permitted in the relevant jurisdiction, with Seller paying the cost of filing all such financing statements in all public offices wherever filing is deemed by Seller to be necessary or desirable, (c) maintain the Collateral free and clear of any and all liens, claims and encumbrances other than those of Seller, (d) maintain the Collateral in good operating condition and repair, (e) pay all taxes, levies and assessments imposed or made on Buyer or any of the Collateral when the same shall become due and payable. (f) not merge into or permit the purchase or acquisition of all or a substantial part of its assets by any entity, (g) not sell, lease or remove any Collateral from Buyer's address set forth herein, (h) maintain and permit Seller to inspect Buyer's books and records at Buyer's address set forth herein, (l) permit Seller to enter Buyer's place of business at Buyer's address set forth herein to inspect the Collateral, (j) pay all Obhgations when due, (k) not become insolvent, or fail to pay its debts as they become due, or (l) not suffer a material adverse change in Buyer's business or financial condition.
- 6. If Buyer shall fail to comply with Section 5 hereof or otherwise fails to perform any of its obligations under this Agreement or under any Receipts, such failure shall constitute a "Default" hereunder. Upon the occurrence of any Default and at any time thereafter, Seller may, at its option, (a) declare all Obligations immediately due and payable without demand, presentment, notice or other action (each of which is expressly waived by Buyer), (b) cease delivery of any other Goods on credit and cease any other extension of credit to Buyer, (e) exercise all of the rights and remedies of a secured party under the Uniform Commercial Code or under any other applicable law, (d) collect, receive and realize upon the Collateral or any part thereof, (e) sell, assign, dispose of and deliver the Collateral or any part thereof at a public or private sale at such price as Seller may deem best, (f) purchase all or any part of the Collateral so sold, to the extent permitted by law, free of any right or equity of redemption in Buyer, which right Buyer hereby releases, (g) charge to Buyer interest on the unpaid portion of the Time Purchase Balance at a default rate of 22.5% Annual Percentage Rate or the maximum rate permitted by law, whichever is lower, and (h) charge a late payment fee equal to the greater of (1) Three Dollars (S3.00), or (2) five percent (5%) of the portion of the Weekly Payment Amount(s) then due. Buyer will assemble the Collateral and make it available to Seller at such places as Seller shall select. All costs of exercising such remedies and otherwise collecting the Obligations shall be payable by Buyer and considered a part of the Obhgations.
- 7. If more than one person signs this agreement, the obligation shall be joint and several. Any provision of this agreement which is in conflict with the statutes of the applicable jurisdiction is hereby amended to conform to the minimum requirements of such statutes. Creditor is authorized to investigate Buyer's credit, and to report Buyer's performance on this agreement, and to verify employment and income references. Buyer agrees to notify the Seller in writing of any change of address.
- 8. Seller/Dismbutor is an independent contractor and is not the Agent or Employee of NMTC, htc. d/h/a MATCO TOOLS or assignee (herein identified). Assignee has sole discretion to accept assignment of this agreement. Neither MATCO TOOLS, nor Assignee shall have any responsibility to Scilicr/Distributor or Buyer or any other party if Assignee does not accept assignment of this Agreement.
- This Agreement, together with any Receipts, represents the entire integrated contract of the parties on this subject. Seller's delay, omission or election not to exercise any right, power or remedy hereunder shall not be construed as waiving or acquiescing in any breach omission or failure of any of Buyer's duties of performance hereunder. This Agreement and all rights, powers and remedies hereunder shall be enforceable under and interpreted in accordance with the laws of the State of Ohio (without giving effect to the conflict of laws/rules thereof). In the event that any provision of this Agreement is held to be illegal or unenforceable, such provision shall be deemed separate, and the remaining provisions of this Agreement shall survive and remain enforceable according to their tenure and effect. This Agreement shall bind and inure to the benefit of Buyer and Seller and their respective heirs, executors, successors, representatives, trustees and assigns.
- Seller/Distributor warrants that the Goods will be fit for the ordinary purposes for which such Goods are used in the automotive manufactaring industry. If any of the Goods are found by Seller to be nonconforming, such Goods will, at Seller's option, be replaced or repaired at Seller's cost. THE PARTIES HERETO EXPRESSLY AGREE THAT BUYER'S SOLE AND EXCLUSIVE REMEDY AGAINST SELLER SHALL BE FOR THE REPAIR OR REPLACEMENT OF NONCONFORMING GOODS AS PROVIDED HEREIN. The sole purpose of the stipulated exclusive remedy shall be to provide the Buyer with free repair and replacement of nonconforming Goods in the manner provided herein. THE FOREGOING WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THOSE OF MERCHANTABILITY OR FITNESS FOR ANY PURPOSE NOT EXPRESSLY SET FORTH HEREIN. THE FOREGOING WARRANTY EXTENDS ONLY TO THE ORIGINAL BUYER OF THE GOODS AND IS NOT TRANSFERABLE.

IN NO EVENT SHALL SELLER BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT INCLUDING BUT NOT LIMITED TO BREACH OF ANY OBLIGATION IMPOSED ON SELLER HEREUNDER OR IN CONNECTION HEREWITH OR THE USE, STORAGE, DISPOSAL OR HANDLING OF THE GOODS SOLD HEREUNDER. INCIDENTAL AND CONSEQUENTIAL DAMAGES FOR PURPOSES HEREOF SHALL INCLUDE, WITHOUT LIMITATION, LOSS OF USE, INCOME OR PROFIT, INCREASED EXPENSE OF INSPECTION, OPERATION OR DOWN-TIME, OR LOSSES SUSTAINED AS THE RESULT OF INJURY (INCLUDING DEATH) TO ANY PERSON, OR LOSS OF O DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY HANDLED OR PROCESSED BY THE USE OF THE GOODS). BUVER SHALL INDEMNIFY SELLER AGAINST ALL LIABILITY, COST OR EXPENSE WHICH MAY BE SUSTAINED BY SELLER ON ACCOUNT OF ANY SUCH LOSS, DAMAGE OR INJURY. BUYER ASSUMES ALL RISK AND LIABILITY FOR LOSS OR DAMAGE RESULTING FROM THE USE, HANDLING STORAGE OR APPLICATION OF THE GOODS DELIVERED HEREUNDER.



PSA-1R

#### CREDIT APPLICATION SUBJECT TO MATO TOOLS / P.S.A CREDIT APPROVAL

This application is for purpose of obtaining credit to purchase Mateo Tools and equipment from an Authorized Mateo Distributor for use in the commercial operation of his or her trade and business. The Mateo Distributor may assign the Purchase Security Agreement for the mechanic to Mateo Tools / P.S.A.

Application must be completed in its entirety for credit consideration SECTION A SS#\_\_\_\_\_DATE OF BIRTH \_\_\_/\_\_/ LEGAL NAME STATE RENT OWN LIVE WITH PARENTS HOW LONG: Yrs \_\_\_\_\_Mos\_\_\_\_ HOME PHONE: CELL: SPOUSE NAME Drivers License # STATE: FORMER ADDRESS \_\_\_ STREET CITY STATE SECTION B **EMPLOYMENT HISTORY** CURRENT EMPLOYER PHONE: ADDRESS STATE CITY SUPERVISOR HIRE DATE NET INCOME (WEEKLY) POSITION PREVIOUS EMPLOYER\_\_\_\_\_ \_\_\_\_CITY/STATE\_\_\_\_ SUPERVISOR PHONE HIRE DATE NET INCOME (WEEKLY) SECTION C **OUTSTANDING DEBTS** MORTGAGE / LANDLORD PHONE CITY/STATE MONTHLY PAYMENT S\_ SECTION D PERSONAL REFERENCES – TWO (2) REOUIRED CITY/STATE\_\_\_\_\_ 1. PARENTS RELATIONSHIP 2. FAMILY MEMBER (NOT LIVING W/ APPLICANT) CITY/STATE RELATIONSHIP\_\_\_\_\_ 3. FRIEND/CO-WORKER CITY/STATE RELATIONSHIP AMOUNT REQUESTED S\_ \_\_ITEMS NEEDED\_ The information stated in this application is warranted to be true. I am authorized to make this application and statement to obtain credit from the Mateo Distributor and/or his or her assignee and agree to pay according to the terms of sale as stated on each invoice. Mateo Distributor and/or his or her assignee, as interested parties as permitted by law, are hereby audiorized to substantiate and investigate the information contained on this application and to report and exchange credit information now and in the future concerning my performance of this agreement. APPLICANTS SIGNATURE DISTRIBUTOR SUBMITTING OFFICE / DISTRIBUTOR USE ONLY MATCO APPROVAL S PROMOTIONAL QUALIFICATIONS ACCOLNT NUMBER ADDITIONAL NOTES:

### **MATCO TOOLS**

# DISTRIBUTOR'S PURCHASE-SECURITY AGREEMENT RECOURSE CREDIT ASSIGNMENT AGREEMENT

THIS AGREEMENT, made and entered into at Stow, Ohio, this	day of	<u> </u>
by and between NMTC, Inc. d/b/a MATCO TOOLS, a Delaware Co	orporation (herein referred to	as "Assignee"), and
of		(herein
referred to as "Distributor").		
WITNESSETH, That		
WHEREAS, Distributor is and has been serving as an independent I referred to as MATCO TOOLS, enguging in the solicitation for sa professional mechanics; and		
WHEREAS, Assignee is willing to provide financing for certain comglies with the terms and conditions contained in this Agreement;		ed Distributor agrees to and
NOW THEREPORE the motion board of the College		

NOW, THEREFORE, the parties hereto agree as follows:

- 1. From time to time after the date hereof, Distributor shall present to Assignee for purchase executed credit documents and related materials, in form and substance satisfactory to Assignee, providing for the assignment to Assignee of rights to collection of amounts payable representing the time purchase balance due in connection with the sale by Distributor of tools, equipment and/or related products purchased from MATCO TOOLS. Upon receipt of such documents and materials, it shall be within the sole discretion of Assignee whether or not to purchase the same, and nothing herein shall be constmed as imposing any obligation upon Assignee to make any purchases from Distributor.
- 2. The purchase price to be paid to the Distributor by Assignee for credit documents accepted for assignment shall be ninety-five percent (95%) of the net cash price (principal amount of purchase included in the credit document being accepted by Assignee not including amounts previously assigned) thereof unless otherwise specified by MATCO TOOLS. The five percent (5%) deduction shall be a refundable reserve which shall be held by Assignee as security for all obligations of Distributor to Assignee hereunder or now existing or arising during the continuance hereof or with respect to any credit documents purchased during the continuance of this Agreement; such reserve shall be (i) adjusted annually by Assignee based on the balance of Distributor's outstanding credit contracts, (ii) applied by Assignee in payment of Distributor's uncollectible credit contracts as determined by Assignee and (iii) paid to the Distributor, net of all outstanding obligations owed to MATCO TOOLS, only when Distributor terminates as a MATCO TOOLS Distributor or elects to discontinue this Recourse Credit Assignment Agreement Upon acceptance of any such documents, payment

shall be effected by Assignee arranging for immediate credit against Distributor's purchase account with MATCO TOOLS (amounts due MATCO TOOLS in the ordinary course of business, exclusive of amounts outstanding under notes or other credit documents provided under other debt agreements between Distributor and MATCO TOOLS) and a confirming document will be forwarded to Distributor.

- 3. Distributor hereby warrants and represents to and agrees to Assignee as follows:
  - (a) All credit documents presented to Assignee for assignment hereunder shall be full, correct, complete and genuine, and shall be fully and properly executed, shall accurately and truthfully describe the date(s) of purchase, items purchased and purchase price(s) charged and shall not have been offered previously to any other financial institution or other entity for purchase or as collateral against advances;

- (b) All credit documents presented to Assignee for assignment hereunder shall relate to and arise from the sale of MATCO TOOLS, products, equipment and/or related products sold and to be utilized primarily for the commercial conduct of trade or business of the customer executing such documents and in no event shall any such credit documents have arisen from or relate to any sales of products for primarily personal, family or household purposes, or sales of products marketed by any entity other than MATCO TOOLS;
- (c) Each customer executing credit documents presented to Assignee or assignment hereunder is creditworthy and Distributor releases Assignee from any claim or liability related to or arising out of Assignee's check on or determination of the creditworthiness of the customer and/or the acceptance or rejection by Assignee of any credit documents presented hereunder;
- (d) Without prior written consent of the Assignee, Distributor shall in no event nor at anytime prior to or after a sale of products, modify the terms of any instrument purchased by Assignee;
- (e) Distributor agrees to collect amounts payable representing the time purchase balance due in connection with the sale by Distributor of tools, equipment and/or related products purchased from MATCO TOOLS and financed pursuant to this Agreement, and further hereby authorizes Assignee to debit Distributor's Purchase Account with MATCO TOOLS for the amounts collected for such recoursed PSA's;
- (f) Distributor shall at all times, as an independent contractor, operate in his own name and be solely answerable for the costs and expenses, consequences and damages arising out of the conduct of his business as a distributor for MATCO TOOLS;
- (g) Distributor shall at all times comply with the procedures from time to time established by Assignee with respect to credit limits, handling of credit documents and other activities related to financing of sales of MATCO TOOLS products as contemplated hereunder; and
- (h) The Distributor agrees that, upon Assignee's request to make a particular repossession, he will cooperate as instructed by Assignee in making such repossession provided that it can be effected without Breach of Peace, and Distributor also agrees that his Open Purchase Account will be charged in an amount equal to 50% of the Fair Market Value of the repossessed product(s) as established pursuant to MATCO TOOLS' Repossession Policy, as same may be revised from time to time.
- 4. Following acceptance of the credit documents hereunder Distributor and Assignee agree to the following terms and conditions:
  - (a) Upon failure by Distributor to remit payments or other funds collected on behalf of Assignee, pursuant to Paragraph 3 (d) above, Distributor hereby authorizes Assignee and MATCO TOOLS to debit Distributor's Purchase Account with MATCO TOOLS in an amount or amounts equal to the sums collected but not remitted. In addition, MATCO TOOLS may charge Distributor an administrative fee (currently set at \$25 per occurrence, per contract) for delinquent, insufficient payments or inaccurate reporting as consideration for MATCO TOOLS' time and efforts in collecting monies, additional correspondence with you, credit bureaus and others, and administrative time and costs to correct data. Any amounts not remitted by Distributor within 10 days of their collection shall be deemed funds not promptly remitted and subject to this provision.
  - (b) Any documents, notes, agreements, or other contracts assigned by Distributor to Assignee pursuant to this Agreement which are later shown or alleged to be, in whole or in part, altered, amended, modified, forged, or not genuine, accurate, or in compliance with the terms of this Agreement in any respect, shall be immediately reassigned by Assignee to Distributor and upon such reassignment Distributor hereby agrees to accept such assignment and immediately, without set-off or deduction of any kind, agrees to pay Assignee the full amount of any balance then outstanding thereon. Upon failure by Distributor to pay Assignee as stated above, upon any reassignment of documents within 10 days of the date of reassignment, Distributor hereby authorizes Assignee and MATCO TOOLS to debit Distributor's Purchase Account in an amount equal to the amounts due on die reassigned documents. This Paragraph (b) shall not apply in the case when Assignee has, by its own action, or with its written consent, been a party to an amendment or modification of any document, note, agreement or other contract;

- (c) Distributor shall not, without prior written consent of Assignee, release any security interest collateral subject to documents assigned to Assignee hereunder, modify or substitute collateral specified in any such documents, consent to or accept return of any collateral subject to or covered by any other assigned documents or effect repossession of any such collateral. Any of the foregoing actions on the part of Distributor, without the written consent of Assignee shall be deemed to be an alteration of the documents pursuant of paragraph 4 (b) above;
- (d) In the event of default by customer of any installment payable on the due date there of, or in the prompt performance of any other obligation to be performed under the credit document or contract by customer, after the assignment thereof by Distributor to Assignee, Distributor authorizes MATCO TOOLS to charge his Purchase Account an amount equal to 50% of the outstanding balance. MATCO TOOLS and Distributor agree that any funds collected thereafter will be credited at 50% of amounts collected net of collection expenses to both Distributor and MATCO TOOLS;
- (e) In the event Distributor terminates as a MATCO TOOLS Distributor, regardless of the reason for terminations, then Distributor agrees to accept as a charge to his Purchase Account an amount equal to 50% of the outstanding balances of recoursable contracts, and to remit 50% of all funds or proceeds collected thereafter within 10 days to MATCO TOOLS, MATCO TOOLS agrees to credit 50% of all fimds or proceeds collected, net of all collection expenses, thereafter to the Distributor or apply same to amounts due Assignee from Distributor; and
- (f) Notwithstanding anything to the contrary Distributor grants to Assignee, a security interest in all such credit document(s) or contract(s) and Assignee shall have the right to continue to possess the same and collect from the customer(s) obligated thereon all amounts due thereon and apply the same against amounts due Assignee from Distributor or due MATCO TOOLS from Distributor.
- 5. In the event Distributor desires to include portions of all of an unpaid balance owing to Distributor by a particular customer with new purchases by the customer, and assign all such amounts to Assignee pursuant to this Agreement, such a proposal will be considered, provided the total net cash price of new purchases will equal or exceed minimum amounts as may be required under the policies of the Assignee. If Distributor desires to make such a proposal, he shall do so in writing, including therewith a completed credit application, as may be required by the Assignee, on the customer and a copy of the customer's sheet showing charges, credits, total owing, and payment records, and such other information relating to the customer or transactions as Assignee may reasonably request. The decision on acceptance of the proposal shall be within the sole discretion of Assignee.
- 6. The liability of Distributor hereunder shall not be affected by any settlement, extension, forbearance or variation in terms which Assignee may grant in connection with any credit documents acquired hereunder or by the discharge or release of the obligations of the account debtor by operation of law or otherwise. Assignee makes no representation or warranty to Distributor concerning the validity, enforceability or sufficiency of any credit documents and/or other materials furnished to Distributor by Assignee.
- 7. This Agreement may be terminated at any time by Distributor or Assignee by written notice, but such termination shall not affect the respective rights and obligations of either party hereunder as to credit documents theretofore purchased by Assignee, including all repurchase and reassignment obligations.
- 8. It being anticipated that Distributor and or other parties to credit assignments with Assignee may assign to Assignee credit documents covering sales to a particular customer which occurred on more than one occasion, it is understood and agreed that, unless otherwise agreed in writing between Assignee and Distributor or required by law, payments received from such a customer will be applied against the respective payment obligations of the customer in a manner such that all current and past due obligations under the documents bearing the earliest date will be treated as satisfied first, all current and past due obligations under the documents bearing the next-earliest date will be treated as satisfied next, and so-on, with the current and past due obligations under the documents bearing the most recent date being treated as satisfied only after current and past due obligations under documents bearing earlier dates have been satisfied.

- 9. This Agreement contains the entire understanding of the parties with respect to the transactions contemplated hereby and the same shall be amended or modified only by written agreement specifically referring hereto. None of the provisions hereof shall be deemed to in any way limit such rights as either party hereto may have by statute or at law or in equity as against the other party, and any remedies provided for herein shall be in addition to and not exclusive of any other remedy available by statute or under principles of common law of equity and such remedies may be exercised by either party consecutively or concurrently and such exercise shall not be deemed to waive any other rights or remedies which may be available to a party.
- 10. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns, provided however, the same shall not be assigned by the Distributor without prior written consent of Assignee thereto.
- 11. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. IN WITNESS WHEREOF, the parties hereto caused this Agreement to be executed as of the date and year first written above.

SIGNED IN THE PRESENCE OF:	NMTC, Inc. d'b/a MATCO TOOLS	
	BY	
	Richard Smearcheck	
	ITS: Director, Financial Services	
	DISTRIBUTOR:	
	Mateo Distributor Number	
	<u>x</u>	
	(signature)	
	(printed name)	

Joe Distributor DISTRIBUTOR # 411116 3/2/2008 3:05:41PM New Tech PSA INV 3 Section 1 - Buyer Doe, Ralph 3 My Car USA MYCAR PENDING N009999999 1122 5th Way Screwhere, OF 44224-\_\_\_\_\_ REPRINT \_\_\_\_\_\_ Section 2 - Goods Sold \_\_\_\_\_\_ Item QTY Amount Comment MB6520EG 1 2095.C0 S/N 123456 BLACK/GOLD MB6520 \_\_\_\_ Purchases: 2095.00 151.89 Tax: Freight/Labor: 0.00 2246.89 Total: \_\_\_\_\_ Section 3 - Payment Schedule | No. of | Amount | Total | Weekly | | Monthly| of Each | of | Payments| |Payments| Payment | Payments| Commence| 1 24 | 105.50| 2538.00 | 03/09/08| -----Section 4 - Terms Of Sale \_\_\_\_\_\_ 2095.00 (A) Tctal Cash Price rade In Subtotal (A-B) (B) Trade In 0.00 2095.00 Subtota\_ (A-B) 2095.00
(C) Sales Tax of 7.250% 151.89
(D) Cash Down Payment 210.00
(E) Net Cash Price 2036.89
(F) Administration Fee 30.00
(G) Net Due On Prior PSA 0.00
(H) Principal Balance 2066.89
(I) Time Price Differential 471.11

Matco Tools

Beginning Balance: 2538.00 Payment: 105.50

(J)Total Time Purchase Balance 2538.00

Current Balance: 2432.50 \_\_\_\_\_ Monthly Payment: \*\*\*105.50\*\*\* \_\_\_\_\_ BUYER ACKNOWLEDGES RECEIPT OF THE GOODS LISTED ABOVE AND A COMPLETELY EXECUTED COPY OF THIS AGREEMENT AND WARRANTS THAT THESE GOODS ARE PURCHASED PRIMARILY FOR USE IN THE COMMERCIAL OPERATION OF HIS TRADE OR BUSINESS AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD USE. THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS ON THE MASTER AGREEMENT, WHICH IS CN FILE AT MATCO TOOLS, A COPY OF WHICH HAS BEEN GIVEN TO THE BUYER AND IS INCORPORATED HEREIN AS PART OF THIS AGREEMENT. \_\_\_\_\_\_ Buyer/End User

Buyer/End User

Date:

THIS AGREEMENT IS ACCEPTED BY SELLER AND HEREBY ASSIGNED UNDER THE TERMS OF THE ASSIGNMENT ON MASTER AGREEMENT.

Distributor/Secured Party (Seller)

Date: \_\_\_\_\_

Joe Distributor

Authorized Matco Tools
Distributor

Business Phone: (300) 555-1212 Pager: (300) 555-5757

-----

Matco Tools

P.O. Box 99999 Metropolis, Chic 99999

Matco Tools Joe Distributor DISTRIBUTOR # 411116 3/2/2008 2:56:06PM Distributor Gold PSA INV 2

Section 1 - Buyer	
Doe, Jim My Car USA N050099999 1285 Any Street Anywhere, OH 44224-	2 MYCAR PENDING
REPRINT	
Section 2 - Goods Sold	· <b></b>
Item QTY Amount Co MB7525 1 5105.00 S/N . CUSTOM 2 BAY ROLLAWAY	omment N 123456
Purchases: 5105.00 Tax: 370.11 Freight/Labor: 0.00	<b></b>
Total: 5475.11	
Section 3 - Payment Schedu	Weekly
Payments   Payment   Payments     208   36.30; 7550.40	Commence
Section 4 - Terms Of Sale	•
(A) Total Cash Price (3) Trade In Subtotal (A-B) (C) Sales Tax of 7.250% (D) Cash Down Payment (E) Net Cash Price (F) Administration Fee (G) Net Due On Prior PSA (H) Principal Balance (i) Time Price Differential (J) Total Time Purchase Balance	5105.00 0.00 5105.00 370.11 511.00 4964.11 30.00 0.00 4994.11 2556.29 7550.40
Nex: Weekly Fmt. Due:  ***36.30***	<b></b>

BUYER ACKNOWLEDGES RECEIPT OF
THE GOODS LISTED ABOVE AND A
COMPLETELY EXECUTED COPY OF
THIS AGREEMENT AND WARRANTS
THAT THESE GOODS ARE
PURCHASED PRIMARILY FOR USE IN
THE COMMERCIAL OPERATION OF HIS
TRADE OR BUSINESS AND NOT FOR
PERSONAL, FAMILY OR HOUSEHOLD
USE.

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS ON THE MASTER AGREEMENT, WHICH IS ON FILE AT MATCO TOOLS, A COPY OF WHICH HAS BEEN GIVEN TO THE BUYER AND IS INCORPORATED HEREIN AS PART OF THIS AGREEMENT.

Buyer/End User
Date:
THIS AGREEMENT IS ACCEPTED BY SELLER AND HEREBY ASSIGNED UNDER THE TERMS OF THE ASSIGNMENT ON MASTER AGREEMENT.
Distributor/Secured Party (Seller)  Date:
Joe Distributor Authorized Matco Tools Distributor Business Phone: (300) 555-1212 Pager: (300) 555-5757
Matco Tools

P.O. Box 99999 Metropolis, Ohio 99999

# **MATCO TOOLS**

# DISTRIBUTOR LEASE AGREEMENT

I, _	an authorized MATCO TOOLS Distributor, agree to act as a lessor for
NM	TC, Inc. dba MATCO TOOLS for certain products which are financed on Mateo's Lease Package.
It is	understood that:
1.	MATCO TOOLS will offer a Lease Financing Package for the express use of its Distributors.
2.	MATCO TOOLS will only lease the approved list of equipment, and this list may be amended from
	time to time.
3.	The Distributor will submit all necessary documentation, including, but not limited to, Lease Appli-
	cations, Agreements, UCC-1's, Down Payments and/or Security Deposits.
4.	MATCO TOOLS will pay the Distributor a price of not less than 90% of the value of the leased
	equipment. This amount may be modified at any time at the sole discretion of MATCO TOOLS.
	The payment will be in the form of a credit towards the Distributor's Open Purchase Account with
	MATCO TOOLS.
5.	MATCO TOOLS will be responsible for collection of the lease payments until such time reposses-
	sion is necessary. At this time, the Distributor will make every effort to effect repossession, as long
_	as the Distributor does not "Breach the Peace."
6.	The Distributor shall either:
	· Coordinate the return of any repossessed merchandise to a location defined by MATCO
	TOOLS, or
	• Purchase the repossessed merchandise at 75% of a pre-established fair market value. The
7	decision is to be mutually agreed to by both the Distributor and MATCO TOOLS.
/.	Any documents found or alleged not to be full, correct, complete and genuine, and not properly
	executed, will be immediately assigned to the selling Distributor for the amount owing at the time
8.	of assignment.  This Agreement will cease upon termination of the MATCO Distributorship. Furthermore, either
0.	party providing written notice of the other may cancel this Agreement at any time.
	party providing written notice of the other may cancer this Agreement at any time.
Win	ness: X
	Mateo Distributor's Signature
Nam	ne: Mateo Distributor's Number

Date: X

Title:



## NMTC, Inc. d/b/a MATCO TOOLS 4403 Allen Road, Stow, Ohio 44224 SHOP OWNER LEASE APPLICATION

This application is for the purpose of leasing MATCO equipment for use in a commercial business of servicing, repairing and maintaining

BUSINESS INFORMATION	COMPLETE ALL NEGOLSTED IN	Onnarion.
FULL NAME OF BUSINESS		Sole
·	Corporation	Partnership Proprietorship
BUSINESS STREET ADDRESS	PHONE NO.	
CITY / COUNTY / STATE / ZIP CODE	IN BUSINESS	SINCE?
FEDERAL I.D. NUMBER	NO. OF EMPLOYEES	
BUSINESS REFERENCES		
LANDLORD / MORTGAGE HOLDER	CITY / STATE / ZIP CODE	
PROPERTY STATUS	PHONE NO.	MONTHLY PMT.
☐ Buy ☐ Rent ☐ Lease		
BANK	CITY / STATE / ZIP CODE	
TYPE(S) OF ACCOUNT	PHONE NO.	CONTACT
☐ Loan ☐ Checking ☐ Savings		
TRADE #1	PHONE NO.	CONTACT
TRADE #2	PHONE NO.	CONTACT
TRADE #3	PHONE NO.	CONTACT
GUARANTOR / PRINCIPAL'S INFORMATION	· · · · · · · · · · · · · · · · · · ·	······································
FULL NAME	TITLE	SOCIAL SECURITY NO.
STREET ADDRESS / CITY / STATE / ZIP CODE		PHONE NO.
FULL NAME (If more than one signature)	TITLE	SOCIAL SECURITY NO.
STREET ADDRESS / CITY / STATE / ZIP CODE	<u> </u>	PHONE NO.
EQUIPMENT DESCRIPTION		COST
		\$
The information stated in this application is warranted to be true. 1 am authorized on behall Inc. d/b/a MATCOTOOLS and agree to pay according to the terms as stated. MATCOTOOL contained in this application and to report and exchange credit information now and in the	S, as permitted by law, is hereby authorized to sub	stantiate and investigate the information
Guarantor's Signature	Date	
Oistributor Name	Distributor Acct.	No.
BLUE-MATCO Financial Services- WHITE-Distributor - CANARY-Customer	PHONE • MAIL • FAX	MATCO TOOLS - Attn: CPS

Mateo Form: SOLA-08/94

4403 Allen Road, Stow, OH 44224 • Fax: (330) 929-5026



# NMTC, Inc. d/b/a MATCO TOOLS 4403 Allen Road, Stow, Ohio 44224

# SHOP OWNER LEASE APPLICATION

This application is for the purpose of leasing MATCO equipment for use in a commercial business of servicing, repairing and maintaining passenger vehicles, trucks and related types of vehicles. PLEASE COMPLETE ALL REQUESTED INFORMATION.

BUSINESS INFORMATION	OWN CE TE ACE TIE GOE OTE D TWY	<u> </u>
FULL NAME OF BUSINESS	☐ Corporation	Sole  Partnership Proprietorship
BUSINESS STREET ADDRESS	PHONE NO.	
CITY / COUNTY / STATE / ZIP CODE	IN BUSINESS S	SINCE?
FEDERAL LD. NUMBER	NO. OF EMPLO	YEES
BUSINESS REFERENCES		
LANDLORD / MORTGAGE HOLDER	CITY / STATE / ZIP CODE	
PROPERTY STATUS  Buy  Rent  Lease	PHONE NO.	MONTHLY PMT.
BANK	CITY/STATE/ZIP CODE	
TYPE(S) OF ACCOUNT  Loan Checking Savings	PHONE NO.	CONTACT
TRADE #1	PHONE NO.	CONTACT
TRADE #2	PHONE NO.	CONTACT
TRADE #3	PHONE NO.	CONTACT
GUARANTOR / PRINCIPAL'S INFORMATION		
FULL NAME	TITLE	SOCIAL SECURITY NO.
STREET ADDRESS / CITY / STATE / ZIP CODE		PHONE NO.
FULL NAME (If more than one signature)	TITLE	SOCIAL SECURITY NO.
STREET ADDRESS / CITY / STATE / ZIP CODE	<u></u>	PHONE NO.
EQUIPMENT DESCRIPTION		COST
		\$
The information slated in this application is warranted to be true. 1 am authorized on behalf o Inc. d/b/a MATCOTOOLS and agree to pay according to the terms as stated. MATCOTOOLS, contained in this application and to report and exchange credit information now and in the	as permitted by law, is hereby authorized to subs	stantiate and investigate the information
Guarantor's Signature	Date	
Distributor Name	Distributor Acct. N	No.
PLUF-MATCO Financial Services • WHITE-Distributor • CANARY-Customer	PHONE . MAIL . FAX	MATCO TOOLS - Attn: CPS

Mateo Form: SOLA-08/94

SOLA1

4403 Allen Road, Stow, OH 44224 • Fax: (330) 929-5026



# NMTC, Inc. d/b/a MATCO TOOLS 4403 Allen Road, Stow, Ohio 44224

# SHOP OWNER LEASE APPLICATION

This application Is for the purpose of leasing MATCO equipment for use in a commercial business of servicing, repairing and maintaining passenger vehicles, trucks and related types of vehicles, PLEASE COMPLETE ALL REQUESTED INFORMATION.

BUSINESS INFORMATION	SOMI LE TE ALL TIE GOLOTED III.	JIIII JIII JIII JIII JIII JIII JIII JI
FULL NAME OF BUSINESS		Sole
	☐ Corporation [	Partnership Proprietorship
BUSINESS STREET ADDRESS	PHONE NO.	
CITY/COUNTY/STATE/ZIP CODE	IN BUSINESS S	INCE?
FEDERAL I.D. NUMBER	NO. OF EMPLOY	/EES
BUSINESS REFERENCES		
LANDLORD / MORTGAGE HOLDER	CITY / STATE / ZIP CODE	
PROPERTY STATUS	PHONE NO.	MONTHLY PMT.
Buy Rent Lease	CITY / STATE / ZIP CODE	
TYPE(S) OF ACCOUNT	PHONE NO.	CONTACT
☐ Loan ☐ Checking ☐ Savings		
TRADE #1	PHONE NO.	CONTACT
TRADE #2	PHONE NO.	CONTACT
TRADE #3	PHONE NO.	CONTACT
GUARANTOR / PRINCIPAL'S INFORMATION	<del></del>	
FULL NAME	TITLE	SOCIAL SECURITY NO.
STREET ADDRESS / CITY / STATE / ZIP CODE	· · · · · · · · · · · · · · · · · · ·	PHONE NO.
FULL NAME (If more than one signature)	TITLE	SOCIAL SECURITY NO.
STREET ADDRESS / CITY / STATE / ZIP CODE		PHONE NO.
EQUIPMENT DESCRIPTION		COST
		\$
The information stated in this application is warranted to be true. If am authorized on behalf Inc. d/b/a MATCO TOOLS and agree to pay according to the terms as stated. MATCO TOOLS contained in this application and to report and exchange credit information now and in the	S, as permitted by law, is hereby authorized to subs	stantiate and investigate the information
Guarantor's Signature	Date	
Distributor Name	Distributor Acct. N	No.
BLUF-MATCO Financial Serrices• WHITF-Distributor • CANARY-Customer	PHONE - MAIL - FAX MATCO TOOLS - Attn: CPS	

Mateo Form: SOLA-08/94 SOLA<sub>1</sub>

4403 Allen Road, Stow, OH 44224 • Fax: (330) 929-5026



### NMTC, Inc. d/b/a/ MATCO TOOLS 4403 Allen Road, Stow, Ohio 44224

NO.673- XXXX

#### **EQUIPMENT LEASE AGREEMENT**

1) LESSEE INFORMA	ATION	2) LEASE INFORMA	ATION
Shop Name:	A) Term (I	In Months) #	
Attn. To:	B) Monthly	y Rental (Base) S	
Street Address:	C) Tax Ra	ite (Percentage)	%
	D) Tax Am	nount (BxC) \$	
City/County;	E) Total M	ionthly Rental (B+D)	
State/Zip:	F) Value C	Of Equipment (AxE)	
LESSOR INFORMA	TION G) Advance	ce Payments (Ex2)	
Dist. Name:	H) Remair	ning Balance (F-G) \$	
Account. No.:	I) First Pay	yment Date	/ /
	3) EQUIPMENT DESCRIPT	TION	
Item Number	Description/Serial No.	umber	Sale Amount
		\$	
			- <del></del>
4) CURRENT PAYOFF DUE	NOTE/LEASE NUMBER	\$	
5) TOTAL AMOUNT TO FINANC	E (3 + 4)	- <u></u> \$	
Made this day of "Assignee", 4403 Allen Road, Slow, O commercial use only, and viil be locat in writing.	hio 44224. The equipment subject to		or business or
Both parties hereby declare and under ment, or has been made as the induct has read this agreement before signin BY EXECUTION OF THIS AGREEME SIGNATURES	sing cause for the execution of this a no and understands the terms thereo	igreement, and Lessee ack of (See reverse)	knowledges that he
Lessee Name (Shop)	Date Lessor	(Distributor)	Date
Guarantor's Name (Print)	Lessor	Name (Print)	
· •		· ·	

FØRM: SOLA330 REV. 08/02 4403 Allen Road • Stow, OH 44224 800-433-7098-3 • Fax: 330-926-5322

(2) BLUE COPIES - Matco, Financial Services • WHITE • Distributor • CANARY • Lessee

#### TERMS AND CONDITIONS

- This Agreement is execute on the balls wall Equipment is ship too to the Lesses and shall reminete at the end of the pencil specified on the reversa hereof or endur as provided persin.
- 2. This Agreement is firm for the gertop and not subject to any deductions because of communiting time.
- 3. Insurance The Lessae shall be responsible for providing insurance coverage from an insurance content acceptable to the Lessor, protecting the Lessor against any and attifiability or loss including fire and triath and affect overage based on the intersement value of the Equitment and making this Lessor as the loss payed and satisfy ouverage \$1,000,000, naming the Lessor as additional insured. The insurance overage must remain direct for the duration of the Agreement and cosses must runnish bessor in this proof of such concarge. The minimum limits of the insurance coverage are subject to review and adjustment during the term of the Agreement your notice from it a lessor to the Lessor.
- 4. LESSEE AGREES TO LOOK SOLELY TO THE MANUFACTURER OF THE LEASED PRODUCTS WITH RESPECT TO ANY CLAM OR LIABILITY BASED ON ANY EXPRESS OR IMPUED WARRANTY OR ANY REPRESENTATION MADE BY THE MANUFACTURER IN CONNECTION THEREW TH. LESSOR MAKES NO MARPARTY, EXPRESS OR MAJUED, ACRIAMY REPRESENTATION CONCERNING THE LEASED PRODUCTS; ANY WARRANTY CONCERNING STRIESS FOR A PARTICULAR PURPOSE OR MERCHANTAGULTY ARE PARRESSLY EXCLUDED LESSOR SHALL NOT BE LABLE TO SEE FOR ANY BREACH OF MARRANTY OR REPRESENTATION WADS BY THE MANUFACTURER, ACRISHALL LESSOR BE LIABLE FOR ANY CAVASES SUFFERED BY LESSES IN CONNECTION THEREWITH OR AS A RESILT OF LESSES FORSESSION OR USE OF THE PRODUCTS MARTHER SIGH DAMAGES MAY BE CONSECUENTIAL, INCIDENTAL, SPECIAL, DIRECT. INCIDENTAL, SPECIAL, DIRECT.
- 6. Lessea is responsible for all traditionance and repair expenses to the Equipment and is required to maintain sed Equipment in the same condition as when shipped to it by Lessor, to pay for all damages to the Equipment, and to return same in as good condition as wheo shipped to it by Lessor, to the storage site of Lessor, testal and coffrery trear and tear excepted, and to pay all fraight formunage, storage, arrange, procedure, or other charges acainst said Equipment rom the limited ship that the second by Lessor up to and including the timo of its return to cessor's year or otherst place or return agreed upon. Lessor shall not trake any discriptions and the second shall not trake any interface and the second shall be set as the second shall be set as the second shall be set as the second shall be set as the second shall be set as the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be set to the second shall be second shall be set to the second shall be second shall be set to the second shall be seco
- 6. Arrival of such Equipment at point of destination and failure of Dessee to object to the condition thateol within 48 hours of arrival will constitute acknowledgment that said Egypthant has been accepted and found in good, safe and serviceably condition and fit for use.
- 7. In the event of natice to Lessor by Lessee that the Equipment is not in good, sate and serviceable condition and fit for use apon its atrival. Lessor shall have the eight to gut said Equipment in good, sate and serviceable condition and fit for use, which a resemble total or to cancel the lesse.
- Cessor shall not be nable to bessee for any loss, delay or damage of any kind or obstactor resulting from additional preakage, defects in, or the inefficiency of said Enjoyment.
- All was or loss of or carriage to the Equation, accounts or otherwise, shall be overso by pessee. The loss, injury or destruction of the Equipment shall not release or strate Lessee's obligations hereunder.
- 10. Lessee agrees to comply with all minicipal, state and federal laws relating to the operation of said Equipment and to pay all taxes, costs, and exponses of every prefector conditioned by or minicipally all sets or operation of the equipment to Lessee, and to pay all fegal assessments, taxes or public charges which may as taked upon said Equipment white in the possession of the Lessea.

More specifically, Personal Property Tax is to be paid by the Lessea. Matco Tools will invoice the Lessea chos per year after the amount of tax is computed by Matco Tools.

- 11. Lessee shall meanwrify and held Lesson natiriess form any liability of any kind adsing our of the possession, makine rance, use, operation and/or tailure of the leased Equipment, whether defective or not.
- 12. The tide to the Equipment here's leased and to all replacements of substitutions (herefor is an small represent in Casso).
- Lasses agrees to execute financing statements evidencing Lesson's lessehold/ cartership inferest in the Equipment which the Lesson will Lie with the appropriate authoraties.
- 14. Leasee agrees that the Equipment derivered to the location specified above which is cessee's business address, shall not be removed thereform without the cessee's prior written consent. Lessee further agrees to give Leason immisdiate notice of any levy etempted upon or liability to seizure of said Equipment, and to inde holy Leason against all less and damages caused by any such action. Lessor stall have the privilege at an under of entering any building or focation where said Equipment is being used to the purpose of inspection and tesserves the privilege of removing said Enuipment inothwith if, in lessor's opinion, it is being civileded or texed beyong its objectly or in any manner being abused or noglected.
- 15. Should Lessee lati to make any originate when due or fall to marriabli and operate the Equipment in good, safe and serviceable condains and fill or use as provided herein or violate any provision bereof, or fall to mainfain the required insurance lowerage; or become benkupt, or a receivar or assignee be appointed for tessee's business, or should Lessee default in any payment of principal or interest on or any other payment of indices due, or any other payment of indices to the Lesser or any of its agains or affiliated companies, their best may immediately terminate this lease, take possession of the said Equipment willock becoming liable for frespass, recover all lease payments due, toll damages for any injury to me Equipment, normal wear and lear excepted, all expenses of returning test same, including reasonable attorney's fees, plus any deficiencies which may remain on any of the aforementored oftigations.
- 16. In case any matter is written or typed into this ponted Agreement, other ban such as is necessary to fill the blanks provided, such matter shall be deemed an addition to the Agreement; and it is specifically understoot and agreed that such added matter is not intended to stan the meaning or nention of the printend position of the contract; and in case of conflict and inconsistency between the printed position and the written or typed additions, the printed position shall control and any written or typed position of the printed position shall be understanding the printed position.
- 17. Both Lesson and Lessee agree that no modification of this Agreement stall be binding upon their or either of them, unless such modificators shall be in writing and only accepted in willing.
- 18. Lessor of its agents may inspect said Equipment at any reasonable time and, if in its opinion or the opinion of its agent, the provisions of this Agreement are not carry compled with or the Equipment is in transper because of any condition. Lessor may take possession of and raniove from the possession of Lessoe without legal process, at the expense of Lessee, the Equipment herain mentioned, Lessee providing Lessor for that purpose unobstructed ingress and egress.
- 19. This omission by Lessor at any lime to enforce any celaulit or right reserved to it or to require performance of any of the terms, covenants or provisions naved by Lessee at the time designated shall not be a waiver of any such default or right or which Lessor is entitled nor shall it in any way affect the right of Lessor to enforce such crossions increated. The transpose of Lessor are cumurative, not afternative, and the entity of judgment by confession or otherwise and the issuance of execution for unpaid lease payments or other sums to be paid instandar by Lessee of any part thereof, shall in an infance affect any of Lessor's other rights bereunder. Lessor may exercise afficiented es simultaneously, principant to the terms releast and any such action shall not operate to releass Lessee, until this bull amount of the lease payments oute and all other sums to be paid neteutore; have been paid.
- 20. When this full ferm of the Agreement has been completed, Lessor viril, if so requested by Lessee within thiny (50) days after such completion, mansfer and assign to Lessee, for the sum of \$100 or 1% of the histored and right and that to the Equipment. If the Lessee wishes to purchase the Equipment prior to completion of this full reim of the Agreement. Lassor will make such transfer and assignment by computing a payoil on the remaining balance cased on the rule of 78's.

# MATCO TOOLS MATCO DISTRIBUTOR BUSINESS SYSTEM SOFTWARE LICENSE, MAINTENANCE AND SUPPORT AGREEMENT

Mateo Tools ("Mateo") agrees to provide to:		
Distributor Name	Distributor #	
Address		
City, State, Zip		
applications software system known as of computer programs and associated	nd sufficient consideration to license from Mateo, one (1) copy of the the Mateo Distributor Business System ("MDBS Software") consisting documentation, subject to the terms and conditions set forth in this are parties to a Distributorship Agreement dated as of, nt").	

#### 1. <u>LICENSE OF SYSTEM; PERMITTED USE AND COPYING.</u>

The Mateo Distributor Business System is the proprietary property of Mateo Tools. Mateo grants a nonexclusive license to the Distributor to use the MDBS Software in connection with the operation of the Distributor's Mateo Tools business. Mateo will ship the MDBS Software object (Machine language) programs (source programs not included) and documentation to the Distributor upon order of the MDBS Software by the Distributor.

The Distributor may not sublicense, assign, sell, transfer or dispose of any part of the MDBS Software to any person or entity. The Distributor warrants that the MDBS Software will be used only in connection with the operation of the Distributor's Mateo Tools business, and will not be used for any other purposes. The Distributor may make no more than three (3) copies of the MDBS Software, one for purposes of use on the computer at his home or primary place of business, one for use in his truck, and one for backup purposes.

#### 2. CHARGES AND PAYMENT TERMS.

The current license fee for the MDBS Software and the first month's Systems Maintenance and Support provided by Mateo is <u>S799.00</u>. Such fee is subject to change by Mateo from time to time. The license fee for the MDBS Software will be charged to the Distributor's Mateo Tools purchase account upon shipment. The terms for payment of the license fee are the same as the existing terms for payment of other amounts payable pursuant to the Distributor's Mateo Tools purchase account.

There will be a one-time S100 license fee for Credit Card Processing Software that interfaces with the MDBS Software. The license fee for the Credit Card Processing Software will be charged to the Distributor's Mateo Tools purchase account upon shipment. The terms for payment of the license fee are the same as the existing terms for payment of other amounts payable pursuant to the Distributor's Mateo Tools purchase account.

Additional Systems Maintenance and Support is available to the Distributor after the first month of the term of this Agreement under the terms and conditions set forth in this Agreement upon payment of Mateo's then-current charges. The standard annual charge for Systems Maintenance and Support in effect as of the date of this Agreement is <u>S400.00</u>, but such charge is subject to change by Mateo from time to time and may, at Mateo's option, be substantially higher for systems not conforming to Mateo's required specifications,

including manufacmrer, model, configuration and operating requirements. Annual Systems Maintenance and Support charges will be added to the Distributor's Mateo Tools purchase account. The terms for payment of the annual Systems Maintenance and Support charges will be the same as for the then-current terms for the Distributor's Mateo Tools purchase account.

The Distributor's annual charge for Systems Maintenance and Support will continue to include, in addition to the standard annual charge of \$\frac{\section{5400}}{2400}\$, an additional annual charge of \$\frac{\section{4400.00}}{400.00}\$ if the Distributor's system hardware and/or software does not comply, to Mateo's satisfaction, with Mateo's PC specifications, including manufacturer, model, configuration, operating system, virus protection and non-Matco-specified use of third-party software and Internet sites.

#### 3. TERM AND RENEWAL.

Subject to payment of the license fee set forth in Paragraph 2 and compliance by the Distributor with the other terms of this Agreement, this Agreement will remain in effect for a period of one (1) year from the date that the MDBS Software is shipped by Mateo to the Distributor unless terminated by either party in accordance with the terms of this Agreement. Subject to payment by the Distributor of the annual Systems Maintenance and Support charges and compliance by the Distributor with the other terms of this Agreement, this Agreement will automatically renew and cominue to renew for successive one (1) year periods unless terminated by either party in accordance with the terms of this Agreement.

#### 4. SYSTEM HARDWARE.

The Distributor is required to purchase a new (not previously owned or refurbished) laptop computer with a full 3-year warranty with Dell's CompleteCare Accidental Damage Protection described below meering the exact current MDBS specifications without exception. As of January 1, 20092011, the MDBS Software is designed to run on a Dell Latitude, model E6500E6510 computer (a "laptop") with a minimum of 2.4GHZ processor, Windows Vista 7 Professional Operating System, Trend Micro PCcillin Anti-Virus Software, a 3year extended on-site laptop maintenance, a minimum of 4 gigabyte of RAM memory, a 160128 GB Dell Mobility Solid State hard drive, a CD-RW/DVD-ROM drive, at least a 56K baud modem, a network port, 802.11b wireless, a deskjet printer, a Mateo specified 40 column receipt printer, a Mateo specified barcode reading and label prinring equipment, and a Mateo specified credit card swipe-devicereader. The Distributor will be responsible for acquiring and maintaining access to the Internet through an Internet Service Provider in order to communicate with Mateo. Cable or DSL connecrions are preferted. In addition, the Distributor is required to purchase a cellular communications card and service in order to connect to the internet while on their route. The MDBS Software documentation contains a list of the minimum equipment and additional recommended equipment. Except as expressly set forth in this Agreement or the MDBS Software documentation, Mateo does not guarantee or wartant the successful execution of the MDBS Software on every particular brand and/or model of computer. It is the Distributor's responsibility to handle all equipment hardware/warranty issues directly with the equipment manufacturer. Mateo is not responsible for hardware reliability or service. The above standards are established solely for the purpose of optimum MDBS software performance. System Hardware requirements are subject to change. Refer to the then-current MDBS Equipment Order Form for the most recent requirements.

The Distributor will be responsible for acquiring and maintaining the computer hardware and manufacturer's operating system software required to execute the MDBS Software. Except for the MDBS Software, the Distributor will have sole and complete responsibility for: (a) acquiring, operating, maintaining and upgrading its own computer hardware and software; (b) the manner in which the Distributor's systems interface with Mateo's systems and those of other third parties; and (c) any and all consequences that may arise if the Distributor's systems are not properly operated, maintained, and upgraded. The Distributor is responsible for acquiring and maintaining an Internet email account and must promptly notify Mateo's Customer Service Department of any changes. This account must be established prior to attending the new distributor training class and must be clearly noted on the attached MDBS Information Form.

The Distributor is further responsible for entering the shop, customer, tax rates and other data needed to mn the MDBS Software.

#### 5. CONDITIONS TO ELIGIBILITY FOR MAINTENANCE AND SUPPORT SERVICES.

In order to be eligible to receive Systems Maintenance and Support services from Mateo, the Distributor's copy of the MDBS Software must be unmodified by the Distributor and maintained to the latest update level specified by Mateo, and the Distributor must not be in breach of his duties and responsibilities under this Agreement.

#### 6. MATCO'S MAINTENANCE AND SUPPORT RESPONSIBILITIES.

Mateo will make on-call support available to the Distributor on office working days during the standard hours of 8:00 a.m. through 4:30 p.m. at Stow, Ohio. Distributor calls for support will be forwarded to the Mateo support staff. An individual from the Mateo support staff will provide a response to the Distributor within a reasonable period of time. All notices of errors or malfunctions must be clearly stated by telephone or in writing by the Distributor and must provide details sufficient to diagnose or reproduce such errors.

If the Distributor notifies Mateo of a suspected error, Mateo will use all reasonable efforts to confirm the existence of and cortect such reproducible error by exercising standard test programs and taking necessary corrective actions. If, in analyzing a suspected error in the MDBS Software at the Distributor's request, Mateo determines that no error exists in the MDBS Software program logic and/or documentation, and/or if the program malfinction is due to the Distributor's alteration of the MDBS Software, and/or if the Distributor is using computer hardware other than specified or approved by Mateo or if the laptop computer is infected with viruses, worms and/or spyware of any nature, Mateo will proceed with further efforts to diagnose and cortect the malfunction only if the Distributor agrees to pay Mateo for its rime and efforts at Mateo's then-current rates. The current rate is \$50/hour.

Mateo will from time to time review the MDBS Software for improved functionality and operating efficiency. Mateo will, based on its own judgment, make such improvements and enhancements to the MDBS Software from rime to rime as it deems appropriate. Mateo will provide to the Distributor, on a timely basis, the updated software and documentation necessary to enable the Distributor to reflect such enhancements and improvements in the Distributor's system. Mateo will also provide to the Distributor, as updates under the terms of this Agreement, any program logic and documentation changes made by Mateo to correct any proven reproducible errors in the MDBS Software which cause the MDBS Software to deviate materially from the specifications for that system.

Any changes to MDBS Software program logic made by Mateo under the terms of this Agreement will be provided to the Distributor on media specified by Mateo. The Distributor will pay the cost of the media, including shipping charges. The charges for media and shipping will be added to the Distributor's Mateo Tools purchase account upon shipment.

To ensure performance and software compatibility, the use of the MDBS computer and software shall be restricted to the Distributor's Mateo business related functions. For example, the MDBS computer shall not be used to browse the Internet for personal use, it should not be used for gaming, and other third-party software should not be loaded and executed on the computer.

#### 7. <u>LIMITED WARRANTY</u>.

Mateo hereby warrants the MDBS Software for a period of ninety (90) days from the time of shipment to materially conform to the specifications described in the documentation in the shipment. Within the warranty period, if the Distributor finds that the MDBS Software does not materially conform to the specifications, the Distributor will promptly provide Mateo with sufficient documentation of such nonconformity such that Mateo can reproduce and verify the same. Mateo will, within a reasonable time, upon

its confirmation of the nonconformity, provide the Distributor with either instructions for correcting the nonconformity or an updated copy of the MDBS Software that is free of the nonconformity. In the event that Mateo is unable to accomplish any of the above, it will accept a return of the nonconforming MDBS Software and fully refund to the Distributor the license fee paid. The foregoing will constitute Mateo's sole obligation, and the Distributor's sole remedy, for breach of warranty. Mateo's warranty is conditioned upon the installarion by the distributor of any and all updates to the MDBS Software provided to the Distributor by Mateo and the Distributor's compliance with the terms of this Agreement.

EXCEPT FOR THE EXPRESS LIMITED WARRANTY SET FORTH ABOVE, MATCO HEREBY DISCLAIMS AND DISTRIBUTOR HEREBY EXPRESSLY WAIVES, ANY AND ALL OTHER EXPRESS WARRANTIES AND REPRESENTATIONS OF ANY KIND OR NATURE. UPON THE EXPIRATION OF THE EXPRESS LIMITED WARRANTY PERIOD SET FORTH ABOVE, MATCO DISCLAIMS, AND DISTRIBUTOR HEREBY EXPRESSLY WAIVES, ANY AND ALL IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

IN NO EVENT WILL MATCO BE LIABLE TO DISTRIBUTOR FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS OR LOST SAVINGS, IN ANY WAY ARISING OUT OF OR RELATING TO THIS AGREEMENT, WHETHER IN CONTRACT OR IN TORT. IN ADDITION, MATCO'S LIABILITY TO DISTRIBUTOR FOR DIRECT DAMAGE ARISING OUT OF OR RELATING TO THIS AGREEMENT WILL IN NO EVENT EXCEED THE TOTAL AMOUNT OF LICENSE FEES AND ANNUAL SYSTEMS MAINTENANCE AND SUPPORT CHARGES ACTUALLY PAID BY DISTRIBUTOR TO MATCO UNDER THIS AGREEMENT.

#### 8. CONFIDENTIALITY.

The Distributor will not disclose the MDBS Software to any person other that the Distributor's employees who have need to use the MDBS Software in connection with the operation of the Distributor's Mateo Tools business. The Distributor will not alter or remove any ownership, trademark or copyright notices from the MDBS Software or any associated documentation.

#### 9. DEFAULT; TERMINATION.

Either party will have the right to terminate this Agreement upon thirty days' (30) prior written notice. This Agreement will also terminate immediately upon the termination or expiration of the Distributorship Agreement. In addirion, this Agreement and the license granted hereunder may be terminated by Mateo on ten (10) days' written notice if Distributor defaults in the payment or performance of his obhgations under this Agreement.

In the event of termination of the Agreement, the Distributor will immediately cease using the MDBS Software, and will immediately remm to Mateo all copies of the MDBS Software and documentation in the Distributor's possession or under the Distributor's control. No refund of any fees paid by the Distributor pursuant to this Agreement will be owed by Mateo to the Distributor in the event of the termination of this Agreement.

#### 10. MISCELLANEOUS.

This Agreement will be governed by, and constmed and enforced in accordance with the laws of Ohio. If any provision will be held invalid or unenforceable, such provision will be severable from the Agreement and will not be construed to have any effect on the remaining provisions.

#### 11. ENTIRE AGREEMENT.

This Agreement sets forth the entire understanding of the parties and supersedes any and all prior agreements, arrangements and understandings relating to the subject matter hereof and the terms and conditions set forth herein will prevail notwithstanding any variance from the terms of any written order submitted by the Distributor. No representation or inducement has been made by any party which is not embodied in this Agreement, and no party will be bound by or liable for any alleged representation or inducement not embodied herein. This Agreement will become effective only upon execution by the Distributor and approval by Mateo and may be modified or amended only by a writing executed by both parties hereto.

	FOR STOW, OH OFFICE USE ONLY
DISTRIBUTOR	MATCO TOOLS
Date Signed	Date Signed
by Signature	bySignatureRayne Covault,
Name - Printed	Title <u>Director, Infomation Technology</u>

#### **MDBS INFORMATION FORM**

( ) Email Address		
	(It is very important to print legibly)	
( ) Cell Phone Number		
( ) Cell Phone Provider		
	(for text messaging)	
( ) Internet Provider (ISP)	(provider and mode - Cable, DSL, Dial-up)	
( ) Check here to confirm the	at you have purchased the Mateo Computer Package	

RETURN THIS FORM WITH THE MDBS LICENSE AGREEMENT.

#### GUARANTEE, INDEMNIFICATION, AND ACKNOWLEDGMENT

NMTC, Inc. d/b/a Mateo	Tools ("Mateo") and	have executed a
Distributorship Agreement dated		(the "Distributorship Agreement").
As an inducement to Mateo to execu	ite an Assignment, Assumptio	n and Consent Agreement dated
, (the "Assig	gnment Agreement") for the (	(i) sale and transfer of the assets of the
distributorship by	to	, Inc., and (ii)
assignment by	to	, Inc. of the Distributorship
Agreement, the undersigned, jointly	y and severally, hereby unco	onditionally guarantee to Mateo and its
successors and assigns that all of L	Distributor's obligations under	the Distributorship Agreement will be
punctually paid and performed.		

Upon demand by Mateo, the undersigned will immediately make each payment required of Distributor under the Distributorship Agreement, including damages, costs, and expenses owed by Distributor, payments due under any indemnification or claim for reimbursement, and all other duties and obligations that are susceptible to being satisfied by payment. This Guarantee is a guarantee of payment, and not of collection. The undersigned hereby waive any right to require Mateo to: (a) proceed against Distributor for any payment required under the Distributorship Agreement; (b) proceed against or exhaust any security from Distributor; or (c) pursue or exhaust any remedy, including any legal or equitable relief, against Distributor. Without affecting the obligations of the undersigned under this Guarantee, Mateo may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Distributor, or settle, adjust, or compromise any claims against Distributor. The undersigned waive notice of amendment of the Distributorship Agreement and notice of demand for payment by Distributor, and agree to be bound by any and all such amendments and changes to the Distributorship Agreement.

The undersigned hereby agree to defend, indemnify, and hold Mateo harmless against any and all losses, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees, reasonable costs of investigation, and court costs) resulting from, consisting of, or arising out of or in connection with any failure by Distributor to perform any obligation of Distributor under the Distributorship Agreement, any amendment thereto, or any other agreement executed by Distributor referred to therein.

The undersigned hereby acknowledge and agree to be individually bound by all of the terms of the Distributorship Agreement, including, in particular, those contained in Section 9 and Section 11.8 of the Agreement.

This Guarantee shall terminate upon the termination or expiration of the Distributorship Agreement, except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such termination shall remain in full force and effect until satisfied or discharged by the undersigned, and all covenants which by their terms continue in force after the expiration or termination of the Distributorship Agreement shall remain in force according to their terms. Upon the death of an individual guarantor, the estate of such guarantor shall be bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other guarantors will continue in full force and effect.

The undersigned shall pay Mateo for all costs and expenses (including, but not limited to reasonable attorney fees and court costs) incurred in any action related to or arising out of this Guarantee. Enforcement of this Guarantee shall be governed by the terms and conditions of Section 12 of the Distributorship Agreement. Unless specifically stated otherwise, the terms used in this Guarantee shall have the same meaning as in the Distributorship Agreement, and this Guarantee shall be interpreted and construed in accordance with Section 13.3 of the Distributorship Agreement.

Any and all notices required or permitted under this Guarantee shall be in writing and shall be personally delivered, sent by registered mail, telecopier/facsimile, or sent by other means which afford the sender evidence of delivery or rejected delivery, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Mateo:	NMTC, Inc. d/b/a Mateo Tools	
	4403 Allen Road	
	Stow, Ohio 44224	
	Fax. No. (330) 929-4972	
	Attn: Thomas M. Hill, Treasurer	
Notices to Guarantors:		
	Mine 1911	
	Attn:	
	ffords the sender evidence of delivery or rejected delivery shall ate and time of receipt or rejected delivery.	II be
IN WITNESS WHEREON effective as of the date of the Assignment	F, each of the undersigned has signed this Guarantee, and it shannent Agreement.	ll be
	GUARANTORS	
	Name:	
	240.	
	Name:	
	Date:	

#### MATCO WEB PAGE AGREEMENT

This Agreement is made as of this day of, 20, by and between NMTC, Inc. d/b/a Mateo Tools ("Mateo") and (the "Distributor").
BACKGROUND:
A. Mateo is the owner of a website with the address "MatcoTools.com" ("Mateo Website").
B. Distributor desires to obtain a subpage on Mateo's Website.
NOW, THEREFORE, in consideration of the mutual premises set forth herein, the adequacy and sufficiency of which is acknowledged, Mateo and Distributor hereby agree as follows:
1. <u>Definitions</u> .
1.1 Distributorship Agreement - The agreement between Mateo and Distributor which gives Distributor the right to operate a Mateo Tools mobile tool distributorship under Mateo's system.
1.2 Distributor Subpage - A web page that is linked to Mateo's Website, with a direct address ("Subpage Domain Name") which contains information specific to a particular Distributor.
1.3 Internet - A wide area network connecting thousands of computer networks in industry, education, government, and research.
1.4 Internet Policy - Mateo's policy regarding all aspects of the Internet including but not limited to policies regarding the use of Web Pages and Distributor Subpages, as the same may be in effect from time to time, the current form of which is attached hereto (Attachment A).
1.5 Names and Marks - Mateo's names and marks as identified from time to time in the Distributorship Agreement and in Item 13 of Mateo's franchise offering circular or elsewhere.
1.6 Web Page Policy - Mateo's policy regarding the use of Web Pages and Distributor Subpages, as the same may be in effect from time to time, the current form of which is attached hereto (Attachment A).

#### 2. Term.

The term of this Agreement shall commence on the date first entered above and shall continue until one of the following events occur:

- (a) The Distributorship Agreement expires and is not renewed;
- (b) The Distributorship Agreement is terminated;
- (e) The Distributor Subpage is discontinued or terminated;
- (d) The Internet Policy is withdrawn or cancelled; or
- (e) This Agreement is terminated or cancelled by Mateo or Distributor.

#### 3. <u>Development of Distributor Subpage</u>.

- 3.1 Mateo agrees to create and develop a Distributor Subpage pursuant to the Internet Policy. Currently, the Distributor Subpage will contain two (2) pages: (a) the first page will be the Distributor "home" page with information regarding the Distributor, and with e-mail capability to communicate with Mateo and with third-party visitors to the Distributor Subpage; and (b) the second page will contain material of the Distributor's choosing, subject to compliance with Mateo's Internet Policy. Distributor shall provide to Mateo all such information requested by Mateo, in the form and at such times as specified by Mateo, as Mateo deems necessary or desirable to create and, if necessary, update the Distributor Subpage.
- 3.2 Distributor represents that it owns, or will own, or will have a license to own, all information, data, graphics, or other material that it provides to Mateo ("Content") to use in or include on the Distributor Subpage. Distributor hereby grants to Mateo a license to use all such Content. Mateo reserves the right to use all, some, or none of the Content provided by Distributor.

#### 4. Ownership of Distributor Subpage.

The parties agree that:

- 4.1 Mateo shall own, operate, and maintain all Matco-related websites and all Distributor Subpages. Upon the termination of the Distributorship Agreement or this Agreement, all related Distributor Subpages will be terminated immediately.
- 4.2 Mateo shall retain ownership of all domain names, including all Subpage Domain Names, during and after the term of the Distributorship Agreement. The Distributor will cease using its Subpage Domain Name immediately upon the termination of its Distributorship Agreement or this Agreement.

4.3 Mateo shall own all rights in and to any data and other information related to, or that is provided to, or obtained by or on the Distributor Subpage or the Mateo Website, including, without limitation, all clickstream data, customer or visitor data, computer "cookies," or logs of "hits" by visitors.

#### 5. Fees.

- 5.1 Distributor shall pay, as of or prior to the date of this Agreement, a one time initial web page setup fee of One Hundred Ninety-Five Dollars (\$195).
- 5.2 Distributor shall pay an annual maintenance fee initially upon signing this Agreement and thereafter the first day of the month of the anniversary of the date of this Agreement, and shall pay an annual maintenance fee on the same day each year thereafter. The current annual maintenance is One Hundred Ninety-Five Dollars (S195). Mateo may change the annual maintenance fee, on thirty (30) days prior written notice to Distributor, but such change shall not be effective until the anniversary date immediately following the notice of such change. Failure by Distributor to pay the annual maintenance fee, or any other fee due to Mateo when due, shall be cause for termination of this Agreement by Mateo.

#### 6. Obligations and Acknowledgments of Distributor.

- 6.1 Distributor acknowledges and agrees that changes in Mateo's Internet Policy may be needed as a result of legal developments, changes in technology, and other reasons, and the Distributor agrees to be bound by Mateo's Internet Policy as it may be revised by Mateo from time to time.
- 6.2 Distributor acknowledges and agrees that if Distributor engages in any conduct that is in violation of this Agreement, a breach of the Distributorship Agreement, contrary to the Internet Policy, or is otherwise illegal or improper, Mateo may suspend or terminate Distributor's access to and use of the Distributor Subpage. Without limiting the foregoing, Distributor shall not engage in any unauthorized conduct, "spamming," "mailbombing," "spoofing," or fraud.
- 6.3 Distributor agrees to comply with Mateo's privacy statement on the Mateo Website, as it may be amended from time to time. The current privacy statement is posted at [www.matcotools.eoml.
- 6.4 Distributor shall maintain such hardware, software, Internet connections, and other technological capabilities to maintain the Distributor Subpage, and to communicate through the e-mail function of the Distributor Subpage with Mateo and any third party, in accordance with standards prescribed by Mateo from time to time.
- 6.5 Distributor acknowledges and agrees that (a) the data, graphics, marks, and other information on the Mateo Website and the Distributor Subpage are copyrighted and are protected by U.S. and worldwide copyright laws and treaty provisions; (b) Mateo's Names and Marks are owned by Mateo and may be used only with the express prior written consent of Mateo; and (e)

this Agreement does not grant Distributor any express or implied right under any copyrights, trademarks, or other proprietary rights.

- 6.6 Distributor agrees that any messages, ideas, suggestions, concepts, or other material submitted to Mateo ("Submission") via the Mateo Website or the Distributor Subpage will be considered non-confidential and non-proprietary. Mateo may copy, distribute, incorporate, modify, or otherwise use the Submissions for any type of commercial or non-commercial use. Further, Mateo is not responsible, and disclaims liability, for any Submissions or any information or data transmitted to or through Distributor's Subpage.
- 6.7 Distributor agrees to immediately execute, acknowledge, and deliver any instruments that may be necessary to terminate its Distributor Subpage upon termination of its Distributorship Agreement with Mateo.
- 6.8 In the event that the Distributor fails to execute such instmments described in paragraph 6.7 above, in addition to any other remedies of Mateo under the Distributorship Agreement, the Distributor hereby irrevocably grants a power of attorney to execute such agreements on its behalf to Mateo.
- 6.9 Distributor indemnifies and holds Mateo harmless from any claim or demand, including reasonable attorneys fees, made by any third party due to or arising out of Distributor's breach of this Agreement or the documents it incorporates by reference, Distributor's violation of any law or rights of a third party, or any accidental or negligent act or omission involving the use of or transmission of data or information over or through the Distributor Subpage.
- 6.10 The obligations of paragraphs 6.7, 6.8, and 6.9 above shall survive the termination of cancellation of this Agreement.
- 7. Operation of Website by Mateo. Mateo will use best efforts to operate the Mateo Website and the Distributor Subpage in accordance with this Agreement. Mateo makes no representations or warranties that the Mateo Website or the Distributor Subpage will be error-free. Mateo disclaims all liability for damages arising in connection with this Agreement, even if Mateo has been advised of the possibility of such damage. Mateo's liability to Distributor under this Agreement will not exceed the total of all fees payable by Distributor in any year under this Agreement.
- 8. <u>Termination</u>. This Agreement may be terminated by either party, upon thirty (30) days prior written notice to the other party. Notwithstanding the foregoing thirty (30) day notice provision, Mateo may suspend Distributor's use of or access to the Distributor Subpage as provided for in paragraph 6.2 above.

- 9. <u>Entire Agreement</u>. This Agreement, together with the Distributorship Agreement and related Internet Policy, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and all prior agreements with respect thereto are superseded hereby. No amendment or modification hereof shall be binding unless in writing and duly executed by both parties, or unless such change is made unilaterally by Mateo to the Internet Policy as permitted herein.
- 10. <u>Governing Law</u>. Regardless of the place of its physical execution or performance, the provisions of this Agreement shall in all respects be construed according to, and the rights and liabilities of the parties hereto shall in all respects be governed by, the laws of the state of Ohio.
- 11. <u>Severability</u>. The provisions of this Agreement shall be severable, and if any provision of this Agreement is held to be invalid or unenforceable, it shall be constmed to have the broadest interpretation which would render it valid and enforceable.
- 12. <u>Further Assurances</u>. The parties agree to take any and all further actions as may be reasonable to give effect to the agreements contained herein.
- 13. <u>Counterparts</u>. This Agreement may be executed in one or more counterpart copies, each of which shall be deemed an original and all of which shall together be deemed to constitute one agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

	NMTC, INC. d/b/a MATCO TOOLS
Distributor	Mateo
By:	By:
Name:	Name:
Title:	Title:
Date:	Date:

#### ATTACHMENT A

#### MATCO TOOLS INTERNET POLICIES

#### **DISTRIBUTOR WEB PAGE POLICIES**

<u>Distributor Provided Content</u> <u>Governing Policy</u>

Tool - Pricing

New, current product List or current MATCO Promo prices

New, discontinued product List less 15% (typical Promo). Contact Distributor

directly if priced below 15% discount.

Used, MATCO product Minimum is List less 40%. Contact Distributor

directly if priced below cost.

Used, competitive product

Any price as determined by Distributor.

MotorSports - Pricing

wishes to sell over List - contact Distributor

directly.

Personal Information/Bio/Comments - No derogatory or other language that in any way

disparages the competition.

Shipping/Delivery Information - No shipping or delivery out of the Distributor's

assigned territory or List of Calls.

Credit Card vs. Cash Pricing - Discounts for cash are optional, additional charges

for credit cards not allowable. (Per regulations in

states.)

Competitive Product Sales - No advertising for competitive product or non-tool

related products or services (i.e., multi-level

marketing plans Distributor may be involved in).

#### **MATCO TOOLS**

#### FRANCHISE DISCLOSURE DOCUMENT

#### APPENDIX E: DISTRIBUTOR DISCLOSURE QUESTIONNAIRE

As you know, NMTC, INC. d/b/a MATCO TOOLS (the "Franchisor") and you are preparing to enter into a Distributorship Agreement for the operation of a Mateo Tools Distributorship (the "Distributorship"). The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest responses to each question.

1.	I first met with a Mateo Tools representative to discuss in detail the Distributorship opportunity o, 20		
2.	Have you received and personally reviewed "Disclosure Document") provided to you?	the Franchisor's Franchise Disclosure Documer	nt (the
	Yes	No	
3.	Did you sign a receipt for the Disclosure Doc	ument indicating the date you received it?	
	Yes	No	
4.	Do you understand the information contained	in the Disclosure Document?	
	Yes	No	
5.	Have you received and personally reviewed to it?	the Distributorship Agreement and each exhibit at	tached
	Yes	No	
6.	affect your legal rights, including required ar	Agreement contains a number of provisions that of provisions that it is a part of provisions of states for arbitrations of the provision of punitive or exemplary dark other waivers and limitations?	on and
	Yes	No	
7.	Please insert the date on which you received blanks fully completed:,	a copy of the Distributorship Agreement with all m	aterial
8.	Do you understand your financial and other o	bligations under the Distributorship Agreement?	
	Yes	No	
9.	Have you discussed the economic and busine an attorney, accountant or other professional	ess risks of owning and operating the Distributorshi advisor?	p with
	Yes	No	

10.	0. Do you understand the economic and business risks associated with operating the Di	
	Yes	No
11.	•	ilure of the Distributorship will depend in large part upor provide to your customers, competition, interest rates, the lease terms and the marketplace?
	Yes	No
12.	promise to you or anyone else regardin	king on behalf of the Franchisor made any statement on the amount of money you may earn in operating the fferent from, the information contained in the Disclosur
	Yes	No
13.	promise to you or anyone else coneeming	king on behalf of the Franchisor made any statement of the total revenues the Distributorship may generate that i ion contained in the Disclosure Document?
	Yes	No
14.	promise to you or anyone else regarding	king on behalf of the Franchisor made any statement of the costs involved in operating the Distributorship that ar ion contained in the Disclosure Document.
	Yes	
15.	promise to you or anyone else concerning likelihood of success that you should or	king on behalf of the Franchisor made any statement of g the acmal, average or projected profits or eamings or the might expect to achieve from operating the Distributorship formation contained in the Disclosure Document?
	Yes	No
16.	promise to you or anyone else, other than concerning advertising, marketing, media	king on behalf of the Franchisor made any statement of those matters addressed in your Distributorship Agreement a support, market penetration, training, support service of that is contrary to, or different from, the information
	Yes	No

	etc.)?					
	If you answered "Yes" to any of questions 12 through 16, please provide a full explanation of your answer in the following blank liues. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of the foregoing questions, please leave the following lines blank.					
	During my negotiations and evaluations leading up to my decision to buy a Mateo Distributorship, I communicated with the following individuals from Mateo Tools or its aftiliates, or independent					
	brokers: Name		Address			
	1 2					
	3.					
	Insert additional nam	es and addresses below	w if needed]			
			to us and that we will rely on them. By signing this sponded truthfully to the above questions.			
ΓR	IBUTORSHIP APPLIC	CANT/SPOUSE	DISTRIBUTORSHIP APPLICANT			

3/20:40<u>11:11</u>

## STATE AGENCY EXHIBIT APPENDIX F TO FRANCHISE DISCLOSURE DOCUMENT

Department of Corporations 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll free: (866) 275-2677

Department of Agriculture and Consumer Services Division of Consumer Services 407 South Calhoun Street Tallahassee, Florida 32399 (850) 410-3753

Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722

Illinois Office of the Attorney General
Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

Franchise Section Indiana Securities Division Secretary of State, Room E-111 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681

Office of the Attorney General Consumer Protection Division P.O. Box 2000 Frankfort, Kentucky 40602 (502) 696-5389

Office of the Attomey General Public Protection Division One American Place 301 Main Street, Suite 1250 Baton Rouge, Louisiana 70825 (225) 342-7900

Maryland Division of Securities Office of the Attorney General 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360 Department of Attorney General – Consumer Protection Division
G. Mennen Williams Building
525 W. Ottawa St. P.O. Box 30212
Lansing, MI 48933 Lansing, MI 48909
(517) 373-7117

Minnesota Department of Commerce 85 7<sup>th</sup> Place East, Suite 500 St. Paul, Minnesota 55101 (612) 296-4026

Nebraska Department of Banking and Finance 1230 "O" Street, Suite 400 Lincoln, Nebraska 68509-5006 (402) 471-3445

Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway, 23rd Floor New York, New York 10271 (212) 416-8211

North Dakota Securities Department 600 Boulevard Avenue, State Capitol Fifth Floor, Dept. 414 Bismarck, North Dakota 58505-0510 (701) 328-4712

Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4387

Department of Business Regulation Securities Division Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527

Department of Commerce and Regulation Division of Securities 445 E. Capitol Avenue Pierre, South Dakota 57501-2017 (605) 773-4013

Statutory Document Section Secretary of State P.O. Box 12887 Austin, Texas 78711 (512) 475-1769 State of Utah Division of Consumer Protection P.O. Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601

State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051

Department of Financial Institutions Securities Division 150 Israel Road, S.W., 3<sup>rd</sup> Floor Tumwater, Washington 98501 (360) 902-8760 Commissioner of Securities 345 West Washington Avenue Fifth Floor Madison, Wisconsin 53703 (608) 261-9555

# AGENTS FOR SERVICE OF PROCESS APPENDIX G TO FRANCHISE DISCLOSURE DOCUMENT

We intend to register this Disclosure Document as a "franchise" in some or all of the following states, in accordance with the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in those states:

#### California

Commissioner of Corporations Department of Corporations 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344

## <u>Hawaii</u>

Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722

### Illinois

Illinois Attorney General 500 South Second Street Springfield, Illinois 62706

#### <u>India na</u>

Secretary of State of Indiana 201 State House Indianapolis, Indiana 46204

### Louisiana

Louisiana Attomey General One American Place 301 Main Street, Suite 1250 Baton Rouge, Louisiana 70825

#### Maine

Securities Administrator Maine Securities Division 121 State House Station Augusta, Maine 04333-0121

### Maryland

Maryland Securities Commissioner 200 St. Paul Place Bahimore, Maryland 21202-2020

#### Michigan

Dept. of Energy, Labor, & Economic Growth Corporations Division P.O. Box 30054 Lansing, Michigan 48909 7150 Harris Drive Lansing, Michigan 48909

## Minnesota

Conunissioner of Commerce 85 7<sup>th</sup> Place East, Suite 500 St. Paul, Minnesota 55101

#### New York

Secretary of State of New York 41 State Street Albany, New York 12231

#### North Dakota

North Dakota Securities Commissioner 600 Boulevard Avenue, State Capitol Fifth Floor Bismarck, North Dakota 58505-0510

#### Rhode Island

Director of Department of Business Regulation Department of Business Regulation Securities Division Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920

#### South Dakota

Director, Securities Division State Capitol Building 445 E. Capitol Avenue Pierre, South Dakota 57501

## Virginia

Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733

### Washington

Director of Department of Financial Institutions Securities Division 150 Israel Rd, S.W., 3<sup>rd</sup> Floor Tumwater, Washington 98501

## Wisconsin

Commissioner of Securities 345 West Washington Avenue, Fifth Floor Madison, Wisconsin 53703

# STATE-SPECIFIC DISCLOSURES AND STATE AGREEMENT AMENDMENTS APPENDIX H TO FRANCHISE DISCLOSURE DOCUMENT

	1.	Hawaii
	2.	Illinois
	3.	<u>Maryland</u>
	4.	Michigan
	4 <u>5</u> .	Minnesota
1	<u>56</u> .	North Dakota
1	6 <u>7</u> .	Rhode Island
	7 <u>8</u> .	Washington
1		

## Hawaii Disclosure Addendum

#### ADDITIONAL RISK FACTORS:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES OF THE STATE OF HAWAII, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE COMMISSIONER OF SECURITIES OF THE STATE OF HAWAII, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADENG.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process: Commissioner of Securities of the State of Hawaii, Department of Commerce and Consumer Affairs, Business Registration Division, Securities Comphance, 335 Merchant Street, Room 2003, Honolulu, Hawaii 96813.

Item 20 of the Disclosure Document is amended by the addition of the following:

This proposed registration/exemption is or will shortly be on file in California, Florida, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia, Washington and Wisconsin. No states have refused, by order or otherwise, to register Mateo's offer of these distributorships. No states have revoked or suspended Mateo's right to offer these distributorships. Mateo has not had the proposed registration of these distributorships involuntarily withdrawn in any state.

## Hawaii Distributorship Agreement Amendment

	,, by and between N	reement is entered into this day of MTC, INC., d/b/a Mateo Tools ("Mateo") and ") to amend and revise certain provisions of the					
		Distributor dated,,					
Mateo	The Distributor's Mateo® Tools business is and the Distributor agree as follows:	o be located in the State of Hawaii. Therefore,					
1.	The Distributorship Agreement is hereby amended and revised to provide that the release required pursuant to Article 2.2 or 10.2 of the Distributorship Agreement will not apply to any liability under the Hawaii Franchise Investment Law.						
Distrib		inconsistent with any terms or conditions of the nents thereto, the terms of this Amendment will orship Agreement will remain the same.					
unders		ereby acknowledges having read this Amendment, s, and agrees it will be effective as of the date first					
DISTR	RIBUTOR:	NMTC, INC. d/b/a MATCO TOOLS					
Ву:		Ву:					
		Name:					
Title: _		Title:					
Date: _		Date:					
DISTR	RIBUTOR'S SPOUSE:						
Ву:							
Title:							
Date: _							

## Illinois Disclosure Addendum

Item 17. v and w of the Disclosure Document are amended by the addition of the following:

If the Distributorship will be located in the State of Illinois, then Section 4 of the Illinois Franchise Disclosure Act of 1987 provides that the provisions of the Distributorship Agreement which designate jurisdiction or venue in a forum outside of Illinois are void. Further:

1. The "Summary" of Item 17(v), entitled <u>Choice of Forum</u>, is deleted and replaced with the following language:

Arbitration must be in Summit County, Ohio. Subject to your arbitration obligation, no provision relates to choice of forum for litigation.

2. The "Summary" section of Item 17(w), entitled <u>Choice of Law</u>, is deleted and replaced with the following language:

Except to the extent governed by the Federal arbitration Act, the United States Trademark of 1946, or other federal law, the Distributorship Agreement will be governed by and construed in accordance with, the laws of the State of Illinois.

## Illinois Distributorship Agreement Amendment

THIS AMENDMENT to the Distributorship Agent in the Third in the Distributorship Agent in the Third in the Thi	greement is entered into this day of NMTC, INC., d/b/a Mateo Tools ("Mateo") and revise certain provisions of the
Distributorship Agreement between Mateo and the I (the "Distributorship Agreement") as follows:	Distributor dated,,
The Distributor's Mateo® Tools business is Mateo and the Distributor agree as follows:	to be located in the State of Illinois. Therefore,
1. The consent by the Distributor to jurisdiction Section 12.9 is applicable to arbitration hearings and consent will not apply to cases that are not subject to a	
2. Section 13.3 of the Distributorship Agreeme except to the extent governed by the Federal Arbitration the Distributorship Agreement will be governed by an of Illinois, and the substantive law of Illinois will gove between the parties.	d construed in accordance with the laws of the State
To the extent this Amendment will be deemed to be Distributorship Agreement or the exhibits or attache govern. All other terms and conditions of the Distribu	ments thereto, the terms of this Amendment will
IN WITNESS WHEREOF, each of the undersigned hunderstands and consents to be bound by all of its term above written.	
DISTRIBUTOR:	NMTC, INC. d/b/a MATCO TOOLS
Ву:	By:
Name:	Name:
Title:	Title:
Date:	Date:
DISTRIBUTOR'S SPOUSE:	
Ву:	
Name:	
Title:	
I Note:	

## Maryland Disclosure Addendum

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the foliowing tanguage:

The general releases required for renewal or transfer will not apply with respect to any claim you may have which arises under the Maryland Franchise Registration and Disclosure Law. See Appendix 1 for additional information regarding the release.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The Distributor may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

<u>Termination upon bankruptcy may not be enforceable under federal bankruptcy law, 11 U.S.C. Section 101 et seq.</u>

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following language to the summary of Provisions "v" and "w":

except for claims arising under the Maryland Franchise Registration and Disclosure Law.

Appendix E, "Distributorship Disclosure Questionnaire," shall be amended by the addition of the following at the end of the Questionnaire:

The representations under this Distributorship Disclosure Questionnaire are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

## Maryland Distributorship Agreement Amendment

THIS AMENDMENT to the Distributorship Agreement is entered into this day of
, by and between NMTC, INC., d/b/a Mateo Tools ("Matco") and
(the "Distributor") to amend and revise certain provisions of the
Distributorship Agreement between Matco and the Distributor dated , ,
(the "Distributorship Agreement") as follows:
The Distributor's Mateo® Tools business is to be located in the State of Maryland. Therefore,
Mateo and the Distributor agree as follows:
1. The Distributorship Agreement is hereby amended and revised to provide that the release
required pursuant to Section 2.2 or 10.2 of the Distributorship Agreement will not apply to any liability
under the Maryland Franchise Registration and Disclosure Law.
2. Section 12.3 of the Distributorship Agreement is hereby amended and revised by the addition of
the following at the end of the first sentence:
: except that any and all claims arising under the Maryland Franchise Registration and Disclosure
Law shall be commenced within three (3) years from the grant of the franchise.
3. Section 12.9 of the Distributorship Agreement is hereby amended and revised by the addition of
the following at the end of the second sentence:
; except court hearings or lawsuits filed in federal or state court with respect to claims arising
under the Maryland Franchise Registration and Disclosure Law.
under the maryland Franchise Registration and Disclosure Law.
4. Article 14 is hereby amended and revised by the addition of the following new Section 14.6:
T. Atticle 14 is necesy amended and fevised by the addition of the following new section 1 1.0.
14.6 The foregoing acknowledgments are not intended to nor shall they act as a release,
estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

To the extent this Amendment will be deemed to be inconsistent with any terms or conditions of the Distributorship Agreement or the exhibits or attachments thereto, the terms of this Amendment will govern. All other terms and conditions of the Distributorship Agreement will remain the same.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms, and agrees it will be effective as of the date first above written.

<u>DISTRIBUTOR:</u>	NMTC, INC. d/b/a MATCO TOOLS				
By:	By:				
Name:	Name:				
Thle:	Title:				
Date:	Date:				
DISTRIBUTOR'S SPOUSE:					
By:	Marie Tari				
Name:					
Title:					
Date:					

## Michigan Disclosure Addendum

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:

- (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 PROVISIONS 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 FRANCHISED 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 **CONTINUING** OR **OTHER AGREEMENT** FROM 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.
  - (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.

\* \* \* \*

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.

IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN \$100,000.00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE 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 NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: DEPT. OF ENERGY, LABOR, & ECONOMIC GROWTH, CORPORATIONS DIVISION, P.O. BOX 30054, LANSING, MICHIGAN 48909; 7150 HARRIS DRIVE, LANSING, MICHIGAN 48909.

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:

DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE CONSUMER PROTECTION DIVISION ATTN: FRANCHISE 670 G. MENNEN WILLIAMS BUILDING LANSING, MICHIGAN 48913 (571) 373-7117

\* NOTE: NOTWITHSTANDING PARAGRAPH (F) ABOVE, WE INTEND TO, AND YOU AGREE THAT WE AND YOU WILL, ENFORCE FULLY THE PROVISIONS OF THE ARBITRATION SECTION OF OUR AGREEMENTS. WE BELIEVE THAT PARAGRAPH (F) IS UNCONSTITUTIONAL AND CANNOT PRECLUDE US FROM ENFORCING THE ARBITRATION PROVISIONS.

## Minnesota Disclosure Addendum

Item 17 of the Disclosure Document is amended by the addition of the following:

With respect to Distributorships governed by Minnesota law, Mateo will comply with Minnesota Statute 80C.14, Subdivisions 3, 4 and 5 which require, except in certain specified circumstances, that a Distributor be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Distributorship.

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to a jury trial, any procedure, fomm, or remedies as may be provided for by the laws of the jurisdiction.

## Minnesota Distributorship Agreement Amendment

THIS	AMENDMENT to the	e Distributorship	Agreement i	is entered	into this	day of
	,,	_, by and betwee	en NMTC, IN	C., d/h/a M	lateo Tools (	"Matco") and
		(the "Distrib	outor") to ame	nd and revis	se certain prov	visions of the
Distrib	ibutorship Agreement bet	ween Mateo and t	he Distributor	dated		,,
(the "I	Distributorship Agreemen	:") as follows:				
Mateo	The Distributor's Mateo		is to be located	d in the Stat	te of Minnesot	a. Therefore,

1. Section 13.3 of the Distributorship Agreement is hereby amended and revised as follows:

Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to a jury trial, any procedure, forum, or remedies as may be provided for by the laws of the jurisdiction.

- 2. The Distributorship Agreement is hereby amended and revised to provide that the release required pursuant to Section 2.2 or 10.2 of the Distributorship Agreement will not apply to any liability under the Minnesota Franchises Law and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.
- 3. The Distributorship Agreement is hereby amended and revised as follows:

With respect to Distributorships governed by Minnesota law, Mateo will comply with Minnesota Statute 80C.14, Subdivisions 3, 4 and 5 which require, except in certain specified circumstances, that a Distributor be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Distributorship.

To the extent this Amendment will be deemed to be inconsistent with any terms or conditions of the Distributorship Agreement or the exhibits or attachments thereto, the terms of this Amendment will govern. All other terms and conditions of the Distributorship Agreement will remain the same.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms, and agrees it will be effective as of the date first above written.

DISTRIBUTOR:	NMTC, INC. d/h/a MATCO TOOLS
By:	By:
Name:	Name:
Title:	Title:
Date:	Date:
DISTRIBUTOR'S SPOUSE:	
Ву:	
Name:	
Title:	
Date:	

## North Dakota Disclosure Addendum

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-01 through 51-19-17, and the policies of the office of the State of North Dakota Securities Commission, the Disclosure Document for NMTC, Inc. d/b/a Mateo Tools shall be amended by the addition of the following language:

- 1. The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):
  - A. Restrictive Covenants: Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.
  - B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.
  - C. Restriction on Fomm: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
  - D. Liquidated Damages and Termination Penahies: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
  - E. Applicable Laws: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.
  - F. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.
  - G. Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.
  - H. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.
  - I. <u>Limitation of Claims: Requiring that North Dakota franchisees to consent to a limitation of claims. The statute of limitations under North Dakota law applies.</u>
  - J. Enforcement of Agreement: Requiring that North Dakota franchisees to oay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.
- 2. Each provision of this addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-1 through 51-19-17, are met independently without reference to this addendum to the Disclosure Document.

## North Dakota Distributorship Agreement Amendment

THIS AMENDMENT to the Distributorship Agreement is entered into this \_\_\_\_\_ day of

	,, by and between NMTC, INC., d/b/a Mateo Tools ("Mateo") and (the "Distributor") to amend and revise certain provisions of the
	Agreement between Mateo and the Distributor dated,, orship Agreement") as follows:
	stributor's Mateo® Tools business is to be located in the State of North Dakota. Therefore, Distributor agree as follows:
-	knowledge and agree that they have been advised that the North Dakota Securities has determined the following agreement provisions are unfair, unjust or inequitable to ranchisees:
Α.	Restrictive Covenants: Any provision which discloses the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.
B.	Situs of Arbitration Proceedings: Any provision requiring that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.
C.	Restriction on Forum: Any provision requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
D.	Liquidated Damages and Termination Penalties: Any provision requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
E.	Applicable Laws: Any provision which specifies that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.
F.	Waiver of Trial by Jury: Any provision requiring North Dakota franchisees to consent to the waiver of a trial by jury.
G.	Waiver of Exemplary and Punitive Damages: Any provision requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.
H.	General Release: Any provision requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.
<u>I.</u>	Limitation of Claims: Requiring that North Dakota franchisees to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
<u>J.</u>	Enforcement of Agreement: Requiring that North Dakota franchisees to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

To the extent this Amendment will be deemed to be inconsistent with any terms or conditions of the Distributorship Agreement or the exhibits or attachments thereto, the terms of this Amendment will govern. All other terms and conditions of the Distributorship Agreement will remain the same.

## [SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms, and agrees it will be effective as of the date first above written.

DISTRIBUTOR:	NMTC, INC. d/b/a MATCO TOOLS			
By:	By:			
Name:	Name:			
Title:	Title:			
Date:	Date:			
DISTRIBUTOR'S SPOUSE:				
By:				
Name:	<u> </u>			
Title:				
Date:	<u></u>			

## Rhode Island Disclosure Addendum

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19 28.1-1 through 19-28.1-34 the Franchise Disclosure Document for NMTC, Inc. d/b/a Mateo Tools for use in the State of Rhode Island shall be amended to include the following:

1. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

2. This addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, are met independently without reference to this addendum to the Disclosure document.

## Rhode Island Distributorship Agreement Amendment

, by and between (the "Distribu	Agreement is entered into this day of NMTC, INC., d/b/a Mateo Tools ("Mateo") and tor") to amend and revise certain provisions of the Distributor dated,,
The Distributor's Mateo® Tools business is Mateo and the Distributor agree as follows:	to be located in the State of Rhode Island. Therefore,
1. Article 12 of the Agreement, under the Agreement, under the heading "Miscellaneous,"	the heading "Dispute Resolution" and Article 13 of shall be amended by the addition of the following:
Investment Act provides that "A provision	ection 19-28.1-14 of the Rhode Island Franchise in a franchise agreement restricting jurisdiction or ing the application of the laws of another state is void e under this Act."
	only to the extent, with respect to such provision, that Franchise Investment Act, §§ 19-28.1-1 through 19-this amendment.
	ve duly executed and delivered this Rhode Island he same date as the Distributorship Agreement was
DISTRIBUTOR:	NMTC, INC. d/b/a MATCO TOOLS
By:	By:
DISTRIBUTOR'S SPOUSE:	
By:	

## Washington Disclosure Addendum

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, the Franchise Disclosure Document for NMTC, Inc. d/b/a Mateo Tools in connection with the offer and sale of franchises for use in the State of Washington shall be amended to include the following:

1. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs at the conclusion of the Item:

The state of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

2. Each provision of this addendum to the disclosure document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, are met independently without reference to this addendum to the disclosure document.

## Washington Distributorship Agreement Amendment

THIS AMENDA	1ENT to the Distribu	itorship Agreement	i is entered into	o this day c	)Ť
	, by and	between NMTC,	INC., d/b/a Mate	o Tools ("Mateo") an	d
	(the	"Distributor") to an	mend and revise of	ertain provisions of th	e
Distributorship A	greement between Mate	eo and the Distribut	or dated	,	_,
(the "Distributorsh	nip Agreement") as follo	ws:			
THE TOUR STATE OF THE STATE OF				337 1' . TT1 C	

The Distributor's Mateo® Tools business is to be located in the State of Washington. Therefore, Mateo and the Distributor agree as follows:

- 1. The State of Washington has a statute, RCW 19.100.180 which may supersede the Distributorship Agreement in your relationship with Mateo including the areas of termination and renewal of your Distributorship. There may also be court decisions which may supersede the Distributorship Agreement in your relationship with Mateo including the areas of termination and renewal of your Distributorship.
- 2. In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.
- 3. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.
- 4. A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.
- 5. Transfer fees are collectable to the extent that they reflect the Mateo's reasonable estimated or actual costs in effecting a transfer.

To the extent this Amendment will be deemed to be inconsistent with any terms or conditions of the Distributorship Agreement or the exhibits or attachments thereto, the terms of this Amendment will govern. All other terms and conditions of the Distributorship Agreement will remain the same.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms, and agrees it will be effective as of the date first above written.

DISTRIBUTOR:	NMTC, INC. d/b/a MATCO TOOLS	NMTC, INC. d/b/a MATCO TOOLS	
Ву:	By:		
Name:	Name:		
Title:	Title:		
Date:	Date:		
DISTRIBUTOR'S SPOUSE:			
By:	<del></del>		
Name:			
Title:			
Date:			

# MATCO DISTRIBUTOR CONSENT TO ALCOHOL AND DRUG TESTING FORM APPENDIX I TO FRANCHISE DISCLOSURE DOCUMENT

Matco FDD/PK <del>23766.635575.11</del> 3/<del>29/10</del>11/11

## Appendix I NMTC, Inc. d/b/a Mateo Tools

## DISTRIBUTOR CONSENT TO ALCOHOL AND DRUG TESTING

## Prospective Franchisee/Distributors:

In the event I am offered a distributorship and within in (5) days of notice from Mateo Tools, I hereby voluntarily authorize any doctor, his/her employees or agents, together with any clinic, hospital or laboratory or other medical facility, to perform appropriate tests or examinations on my body fluid or hair samples (for example, urinalysis, blood chemistry, and hair analysis) for drugs and/or alcohol.

I further give my permission to such doctor, his/her employees or agents, clinic, hospital or laboratory or other medical facility, to release the results of these tests to Mateo Tools, the examining physician and the laboratory, as well as each of their officers, agents, and employees. In addition, I hereby release and hold harmless Mateo Tools and all such other persons and entities from any liability based upon the request for, administration of, and use of the results of any physical examination, including substance abuse tests.

I understand that in the event I fail the drug or alcohol test, Matco Tools will not grant me a franchise.

This authorization, consent and release is of a continuing nature and shall continue from this date throughout the term

of my contract between Mateo Tools.	·		
Distributor Candidate:			
Printed Name	Signature and Date		
Witness:			
Printed Name	Signature and Date		
New/Existing Franchisees/Distributors (during the term of the	he franchised distributorship):		
	ny doctor, his/her employees or agents, together with any clinic, priate tests or examinations on my body fluid or hair samples (for s and/or alcohol.		
release the results of these tests to Mateo Tools, the examining agents, and employees. In addition, I hereby release and hold	or agents, clinic, hospital or laboratory or other medical facility, to g physician and the laboratory, as well as each of their officers, if harmless Mateo Tools and all such other persons and entities f, and use of the results of any physical examination, including .		
I understand that in the event I fail the drug or alcohol test, Mate	o Tools will have the right to terminate my Distributorship.		
This authorization, consent and release is of a continuing nof my contract between Mateo Tools.	nature and shall cont <i>i</i> nue from this date throughout the term		
Distributor:			
Printed Name	Signature and Date		
Witness:			
Printed Name	Signature and Date		

# MUTUAL RELEASE AGREEMENT APPENDIX J TO FRANCHISE DISCLOSURE DOCUMENT

## APPENDIX J MUTUAL RELEASE AGREEMENT

The following is our current mutual release language that we expect to include in a release that a distributor and/or transferor may sign as part of a renewal or an approved transfer. We may, in our sole discretion, periodically modify the release.

This Mutual Release Agreement ("Mutual Release") is made and entered into on

, 20 by and between NMTC, Inc. d/b/a Mateo Tools, a
Delaware Corporation ("Mateo") with principal place of business at 4403 Allen Road,
Stow OH 44224 and
[("Distributor")] [("Transferor")], a
(individual, corporation) with principal place of business at
<u>RECITALS</u>
A. Distributor entered into a Distributorship Agreement dated
Distributor the right and obligation to establish and operate a Mateo mobile distributorship (the "Distributorship").
B. Distributor wishes [to renew its relationship under the Distributorship
Agreement, and to execute a new Distributorship Agreement and Renewal Addendum
("Renewal Distributorship Agreement")] [to transfer or assign his/her rights under the
Distributorship Agreement to a new or transferee distributor ("Transfer Transaction").]
In connection with the [Renewal Distributorship Agreement] [Transfer Transaction]
Mateo and [Distributor] [Transferor] have agreed to execute this Mutual Release, along

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party set forth here in, hereby agree as follows:

with such other documents related to the approved [Renewal Distributorship Agreement]

1. [Renewal] [Transfer] of Distributorship Agreement. In accordance with the terms of the Distributorship Agreement, Distributor has notified Mateo of its desire to [renew] [transfer] its rights under the Distributorship Agreement and to comply with the terms and conditions regarding [renewal] [transfer] as specified in the Distributorship Agreement.

## 2. Releases.

[Transfer Transaction].

a. <u>By Distributor</u>. Distributor hereby releases and forever discharges Mateo, Mateo's corporate affiliates, and each of their respective officers, directors, agents, and employees (collectively, the Mateo Parties") from any and all claims,

demands, liabilities, and causes of action of whatever kind or nature, vested or contingent, known or unknown, suspected or unsuspected, which Distributor now owns or holds, or has at any time heretofore owned or held, or may at any time own or hold against the Mateo Parties arising prior to and including the date of this Mutual Release which relates in any way to: (a) the Distributorship Agreement, including, but not limited to, the entry into the Distributorship Agreement; (b) the operation by Distributor of the Distributorship pursuant to the Distributorship Agreement; (c) the relationship between Mateo and Distributor; and (d) this Mutual Release (collectively, the "Distributor Released Claims"). Distributor represents and warrants that it acknowledges and agrees that Distributor may in the future learn of facts in addition to or different from those which it now knows or believes to be true with respect to the subject matter of this Section 2.a, but that nonetheless, it is the intention of Distributor to fully, finally, and forever settle and release all of the Distributor Released Claims.

- By Mateo. Mateo hereby releases and forever discharges Distributor and their respective officers, directors, agents, and employees (collectively, the Distributor Parties") from any and all claims, demands, liabilities, and causes of action of whatever kind or nature, vested or contingent, known or unknown, suspected or unsuspected, which Mateo now owns or holds, or has at any time heretofore owned or held, or may at any time own or hold against the Distributor Parties arising prior to and including the date of this Mutual Release which relates in any way to: (a) the Distributorship Agreement, including, but not limited to, the entry into the Distributorship Agreement; (b) the operation by Distributor of the Distributorship pursuant to the Distributorship Agreement; (c) the relationship between Distributor and Mateo; and (d) this Mutual Release (collectively, the "Mateo Released Claims"). Mateo represents and warrants that it acknowledges and agrees that Mateo may in the future learn of facts in addition to or different from those which it now knows or believes to be true with respect to the subject matter of this Section 2.b, but that nonetheless, it is the intention of Mateo to fully, finally, and forever settle and release all of the Mateo Released Claims.
- c. <u>Claims under Section 1542</u>. Distributor and Mateo expressly state that it is their intention in executing this Mutual Release that it shall be effective as a bar to the Distributor Released Claims and Mateo Released Claims as prescribed by Section 1541 of the California Civil Code. Distributor and Mateo warrant that they are familiar with and have been advised by legal counsel concerning the legal effect of Section 1542 of the California Civil Code, and that Distributor and Mateo expressly waive and relinquish all rights and benefits conferred by the provisions of Section 1542 of the California Civil Code, which provides that:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

3. <u>Exception for Certain Monies Owed</u>. The releases in Section 2.a and 2.b above do not apply to any monies which may be owed by Mateo to Distributor or by

Distributor to Mateo in the ordinary course of business under the Distributorship Agreement.

- 4. <u>Acknowledgments</u>. Distributor acknowledges it has received a copy of this Mutual Release sufficiently in advance of executing it to be able to consult with counsel of Distributor's choosing, and Distributor acknowledges having reviewed and understood this Mutual Release prior to executing it. Further, Distributor acknowledges that it received a copy of Mateo's current form of franchise disclosure document required by the Trade Regulation Rule of the Federal Trade Commission entitled "Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures" at least fourteen (14) calendar days prior to the date the Renewal Distributorship Agreement and this Mutual Release were executed.
- 5. No prior assignment. The parties represent and warrant that they are the sole owners of all claims and rights released hereunder and that they have not assigned or transferred, or purported to assign or transfer, to any person or entity, any suit, claim, controversy, liability, demand, action, or cause of action released under Sections 2.a and 2.b above.

## 6. Effect.

- a. This Mutual Release shall be binding upon the respective corporate officers and directors of Mateo and Distributor, and upon each party's legal representatives, successors, and assigns, and shall inure to the benefit of the respective parties hereto.
- b. This Mutual Release shall be governed, construed, and interpreted under the laws of Ohio.
- e. [For Maryland franchisees, add this paragraph]: Distributor and Mateo agree that all actions arising under this Mutual Release must be commenced in arbitration in accordance with the terms of the Distributorship Agreement. In the event any claims arising under the Mutual Release with respect to the Maryland Franchise Registration and Disclosure Law, Distributor and Mateo agree that all such actions must be commenced in the state or federal court of general jurisdiction in Maryland, and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts. This Mutual Release shall be interpreted and construed under the laws of the State of Maryland. In the event of any conflict of law, the laws of the State of Maryland shall prevail (without regard to, and without giving effect to, the application of Maryland conflict of law rules).

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Mutual Release, understands and consents to be bound by all of its terms, and agrees it will be effective as of the date first above written.

DISTRIBUTOR:	NMTC, INC. d/b/a MATCO TOOLS
Ву:	By:
Name:	Name:
Title:	Tide:
Date:	Date:
DISTRIBUTOR'S SPOUSE	
Ву:	_
Name:	_
Title:	_
Datas	

## RECEIPT (To Be Retained by You)

## NMTC, INC. d/b/a MATCO TOOLS Franchise Disclosure Document Issuance Date: March 29-201011, 2011

This Disclosure Document summarizes certain provisions of the distributorship agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Mateo offers you a franchise, it must provide this Disclosure Document to you:

- (a) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or
- (b) Under Maryland, New York, and Rhode Island law, if applicable, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale, or
- (c) Michigan and Washington require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Mateo does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the appropriate state agency listed in Appendix F.

The franchisor is NMTC, Inc. d/b/a Mateo Tools, 4403 Allen Road, Stow, Ohio 44224. Its telephone number is (330) 929-4949.

Issuance date: March 29-201011, 2011.

The franchise seller is Ernest C. Lauber, Senior Vice President, Sales of NMTC, Inc. d/b/a Mateo Tools, 4403 Allen Road, Stow, Ohio 44224, (330) 929-4949.

Any additional individual franchise sellers involved in offering the distributorship are:

Mateo authorizes the respective state agencies identified on Appendix G to receive service of process for it in the particular state.

I have received a Disclosure Document March 29, 2010 [1, 2011] (and with effective dates of state registration or exemption as listed on the State Effective Dates page) that included the following Exhibits: Appendix A = Financial Statements, Appendix B = Active Distributors, Appendix C = Terminated Distributors, Appendix D = Distributorship Agreement, Appendix E = Distributor Disclosure Questionnaire, Appendix F = State Agency Exhibit, Appendix G = Agents for Service of Process, Appendix H = State-specific Disclosures and State Agreement Amendments, and—Appendix I = Mateo Distributor Consent to Alcohol and Drug Testing Form, and Appendix J - Mutual Release Agreement.

I acknowledge that the information contained in this Franchise Disclosure Document of Mateo is confidential and proprietary. I agree that this information will be used only for purposes of evaluating the possible purchase of a Mateo franchise, and will not be disclosed to any person other than my legal and financial advisors.

Signed:			Signed:	
Print Name	·		Print Name:	
			Address:	
City:		State:	City:	
Zip:	Telephone:	<del></del>	Zip:Telep	hone:
Dated:			Dated:	

# RECEIPT (To Be Returned to Mateo Tools)

NMTC, INC. d/b/a MATCO TOOLS
Franchise Disclosure Document
Issuance Date: March 29-201011, 2011

This Disclosure Document summarizes certain provisions of the distributorship agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Mateo offers you a franchise, it must provide this Disclosure Document to you:

- (a) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or
- (b) Under Maryland, New York, and Rhode Island law, if applicable, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale, or
- (c) Michigan and Washington require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Mateo does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the appropriate state agency listed in Appendix F.

The franchisor is NMTC, Inc. d/b/a Mateo Tools, 4403 Allen Road, Stow, Ohio 44224. Its telephone number is (330) 929-4949.

Issuance date: March 29-201011, 2011.

The franchise seller is Ernest C. Lauber, Senior Vice President, Sales of NMTC, Inc. d/b/a Mateo Tools, 4403 Allen Road, Stow, Ohio 44224, (330) 929-4949.

Any additional individual franchise sellers involved in offering the distributorship are:

Mateo authorizes the respective state agencies identified on Appendix G to receive service of process for it in the particular state,

I have received a Disclosure Document March 29— $2010\underline{11}$ , 2011 (and with effective dates of state registration or exemption as listed on the State Effective Dates page) that included the following Exhibits: Appendix A  $\equiv$  Financial Statements, Appendix B  $\equiv$  Active Distributors, Appendix C  $\equiv$  Terminated Distributors, Appendix D  $\equiv$  Distributorship Agreement, Appendix E  $\equiv$  Distributor Disclosure Questionnaire, Appendix F  $\equiv$  State Agency Exhibit, Appendix G  $\equiv$  Agents for Service of Process, Appendix H  $\equiv$  State-specific Disclosures and State Agreement Amendments, and—Appendix I  $\equiv$  Mateo Distributor Consent to Alcohol and Drug Testing Form, and Appendix J  $\equiv$  Mutual Release Agreement.

I acknowledge that the information contained in this Franchise Disclosure Document of Mateo is confidential and proprietary. I agree that this information will be used only for purposes of evaluating the possible purchase of a Mateo finishes, and will not be disclosed to any person other than my legal and financial advisors.

Signed:		Signed:	
	<u></u>		
City;		City:	
Zip: Teleph	one:	Zip: Te	elephone:
	· · · · · · · · · · · · · · · · · · ·		