

FRANCHISE DISCLOSURE DOCUMENT

Maid Brigade, Inc.

A Delaware Corporation

Four Concourse Parkway, Suite 200

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The franchisee will operate a business that provides supervised team cleaning services to home and light commercial cleanings and offers proprietary and other household products for sale using the trade name "MAID BRIGADE."

The total investment necessary to begin operation of a Maid Brigade franchise business is between \$96,150 and \$129,300. This includes \$38,700 that must be paid to the franchisor and its affiliates.

This disclosure document summarizes certain provision of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government 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 a different format, contact Randi Simon at Four Concourse Parkway, Suite 200, Atlanta Georgia 30328 or at (770) 551-9630 or rsimon@maidbrigade.net.

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 accountant.

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

THE ISSUE DATE OF THIS DISCLOSURE DOCUMENT IS April 28, 2020.

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Maid Brigade business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Maid Brigade franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About This *Franchise*

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Georgia, Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Georgia than in your own state.

Certain states may require other risks to be highlighted. Check the “State Specific Addenda” (if any) to see whether your state requires other risks to be highlighted

INFORMATION FOR RESIDENTS OF THE STATE OF MICHIGAN

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 OF THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES.

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT. THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS.

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE. GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISION OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE EACH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE AT THE TIME OF EXPIRATION OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISE BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS 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 TRANSFEREE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATION 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.

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: MICHIGAN DEPARTMENT OF COMMERCE, CORPORATIONS AND SECURITIES BUREAU, 6546 MERCANTILE WAY, LANSING, MICHIGAN 48910.

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO THE DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE, CONSUMER PROTECTION DIVISION, ATTN. FRANCHISE SECTION, 670 LAW BUILDING, 525 W. OTTAWA STREET, LANSING, MICHIGAN 48913, 517-373-7117.

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ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor

The franchisor is Maid Brigade, Inc. This Disclosure Document refers to Maid Brigade, Inc. as “we,” “us,” or the “Company.” We refer to the person who buys a franchise from us as “you.” You and we will enter into a Franchise Agreement (Exhibit B to this Disclosure Document). You may assign the Franchise Agreement to a privately held corporation, partnership, or other entity by signing the Corporate Assignment Agreement (Exhibit C to this Disclosure Document). If you do so, “you” also includes your corporation, partnership, or other entity. We have no parent company, predecessors or affiliates.

We are a Delaware corporation incorporated on February 8, 1982. Our principal business address is Four Concourse Parkway, Suite 200, Atlanta, Georgia 30328. Our telephone number is (770) 551-9630. We do business only under the name “Maid Brigade®.” On February 1, 2005, we changed our corporate name from The Maid Brigade Systems, Inc., to Maid Brigade, Inc.

We list our agents for service of process in Exhibit A.

Our Business

We grant Maid Brigade franchises for the operation of a light household and light commercial cleaning business. As a Maid Brigade franchisee, you will:

- Receive a license to operate a business under the trade names, trademarks, service marks, logotypes, and commercial symbols that we designate, including the service mark “Maid Brigade®” (collectively, the “Marks”);
- Receive a specific geographic territory where you will have the exclusive right to operate the Maid Brigade business (the “Operating Territory”);
- Gain access to customers through our Internet alliances and partnerships;
- Use our proprietary Maid Brigade marketing programs and advertising including on-line scheduling (where available) through our public Web site.
- Obtain our assistance in matters like marketing, management, human resources, products, financial planning, and services;
- Use our private Maid Brigade internet site accessible by Maid Brigade franchisees only, including its Vision Analysis System™; and
- Gain access to the full array of proprietary products and services we offer, including our confidential business information, business format, methods, specifications, expertise, Total Management Software Solution and National Resource Center catalogs with ordering capability and Marks.

You will operate the business under our Franchise Agreement. We refer to the right to operate under our Franchise Agreement, to use our Marks and other intellectual property, and to receive the other benefits we list above, as the Maid Brigade “System.” We refer to the business you operate under the Maid Brigade System as the “Franchise” or the “Franchised Business.”

The cleaning services you will offer include dusting, mopping, vacuuming, and tidying or any other services we deem necessary. Generally, 2 of your employees will perform cleaning services at each customer’s home. Your main duties will be to instruct and supervise your employees and to promote and develop the Franchised Business.

Although you will offer services to the general public, your primary market will be middle- to upper-income households. You will build your customer base through the use of internet advertising, including the Maid Brigade consumer website, www.maidbrigade.com. You will also utilize centralized marketing programs offered by us and through various traditional methods of advertising. We encourage you to enter into strategic alliances with apartment managers, realtors, employers, and other service-oriented businesses in the territory that can give you referrals.

You will operate the Franchised Business from an approved location. You will offer light daytime cleaning services for homes and for businesses that operate primarily from business parks and low-rise office buildings. You will purchase certain items from us or our designated suppliers. See Item 8 of this Disclosure Document.

Our Franchise Experience

Don Hay, our Chairman, has operated a number of household and commercial cleaning businesses in the United States and Canada. We began offering franchises in June 1984. In late 2011, we began also offering home cleaning franchises under the mark "Maid Simple House Cleaning." Franchises for that business were marketed through a different Franchise Disclosure Document. Maid Simple franchises are smaller businesses, with lower entry costs and a completely different fee structure. Those franchises are marketed to individuals who anticipate doing the home cleaning work themselves. We no longer offer Maid Simple franchises. As of December 31, 2019 there were nine Maid Simple franchisees in operation. We have no other business activities and have not offered franchises in any other line of business.

Competition

You will compete with other businesses that offer cleaning services, including other franchised operations, and with local independent services like housekeepers, nannies, maids, and commercial cleaning services that enter the residential market. We believe that the Maid Brigade System will give you a competitive advantage over others in the market.

Regulatory Matters

We are not aware of any regulations specific to the operation of a Maid Brigade franchise. However, you must comply with all laws that apply to business in general. We strongly encourage you to investigate these laws and their possible effect on the Franchised Business.

ITEM 2 BUSINESS EXPERIENCE

Chairman: Donald Maxwell Hay

Mr. Hay has been our Chairman since we incorporated in 1982. He acted as President and Chief Executive Officer until July 2005.

President and Secretary: Bart Puett

Mr. Puett has been our President since July 2005. Mr. Puett acted as Vice President from March 1993 to 2005 and Chief Operating Officer from 2001 to 2005. From 1984 until February 1993, he was our Director of Franchise Services.

Vice President of Franchise Recruitment: Joel Lazarovitz

Mr. Lazarovitz has served as our Vice-President of Franchise Recruitment since November 2012. From July 2006 to present, he also has served as the co-founder and manager of International Franchise Services in Montreal, Quebec,

where he helps franchisors grow and establish their brand on a global scale by building their network of franchisees worldwide.

Vice President of Operations: Greg Nicklas

Mr. Nicklas began working with Maid Brigade out of college. Within a few years, as the General Manager, he was in charge of the Portland office that grew to \$2M+ in sales. By doing so, the owner was able to spend 100% of her time with her family and pursuing her horse rescue passion. He enjoys the support and camaraderie that Maid Brigade has. The willingness of other owners to help one another grow and improve their business is genuine.

Director of Marketing: Whitney Samuelson

Ms. Samuelson joined Maid Brigade in September 2006.

Senior Vice President: Raychel Leong-Sullins

Ms. Leong-Sullins joined Maid Brigade in August of 1999. She became the Director of MIS in 2003 and she also serves as Vice President of Operations for our Maid Simple House Cleaning concept. Raychel was part of the team that developed the Maid Simple House Cleaning concept and has been working in operations and support since its inception. Raychel also oversees the on-site training team.

Director of Technology: Michael Vinson

Mr. Vinson joined Maid Brigade in October 2008 as the Technology Manager. In January, 2013, he was promoted to Director of Technology, where he oversees all IT related projects.

In addition to franchise brokers, we have a policy of paying a referral fee to any of our franchisees and their clients who refer someone who signs a Franchise Agreement. The referral fee ranges from \$2,000 to 22,500, depending on the size of the territory sold to the new franchisee.

**ITEM 3
LITIGATION**

No litigation is required to be disclosed in this Disclosure Document. See Addendum to this Disclosure Document for additional disclosure required by the State of California.

**ITEM 4
BANKRUPTCY**

No bankruptcy information is required to be disclosed in this Item.

**ITEM 5
INITIAL FEES**

The price for your franchise will be based on the number of Qualified Households in your Operating Territory. Your Initial Franchise Fee is \$35,000 for a territory which includes 30,000 qualified households. Additional households may be purchased for \$1 for each additional Qualified Household in the territory. A "Qualified Household" is a household with an estimated household income sufficient to place it in the upper-middle to upper class in the Operating Territory, as we determine in our reasonable business judgment. We reserve the right to define the income level of a "qualified household." The Initial Franchise Fee is fully due and payable upon execution of the Franchise Agreement. If you are unable to complete our initial training program (see Item 11 of this Disclosure Document) to our reasonable satisfaction,

we will refund the initial franchise fee to you, less all reasonable expenses we actually incur in preparing the Franchise Agreement and all related agreements you sign, selecting the Operating Territory, granting you the Franchise rights, and providing you with training. There are no refunds under any other circumstances. The method we use to calculate the initial franchise fee is uniform for all franchises we offer through this Disclosure Document. We sold one new franchise in 2019, for \$29,000.

You must purchase your opening inventory, which we call your “Initial Package,” from us. The cost for the Initial Package is \$3,700.

The Initial Package includes your initial inventory of equipment and supplies; cleaning solutions; advertising and marketing materials like business cards and sales materials; Maid Brigade uniforms; and access to our Confidential Operations Manual and training manuals, which we publish on our private website. You pay the cost of the Initial Package when you sign the Franchise Agreement. The fee for the Initial Package is not refundable under any circumstances.

**ITEM 6
OTHER FEES**

Type of Fee ^(Note 1)	Amount	Due Date	Remarks
Royalty	6.9% of gross revenues, subject to reduction for higher volume and subject to weekly minimums	Weekly (each Thursday for the preceding week’s Gross Revenue)	(Note 2)
Ad Fund Contributions	2% of Weekly Gross Revenue	Weekly (each Thursday for the preceding week’s Gross Revenue)	You pay this fee to our advertising fund. We control the advertising fund. See Item 11 of this Disclosure Document.
Local Client Advertising	Between \$3,500 to \$4,000 per month, as we determine	Monthly	Managed by our marketing department (Note 3)
Local Employee Advertising	Minimum of \$50 per week	Weekly	(Note 4)
Transfer Fee	The then current fee. Presently, our combined Transfer and Training fee is \$9,500	Upon transfer	We give the transferee pre-opening and Home Office training (Note 5)
Renewal	Approximately \$1,000	As incurred	The intent is to allow us to recover our costs (Note 6)
Audit	\$1,000 - \$3,000	On receipt of invoice	You pay this fee only if you fail to provide required reports or if you understate your Gross Revenue for any weekly or monthly period
Proprietary Items	Varies under circumstances	As incurred	Includes items like uniforms and certain cleaning supplies. See Item 8 of this Disclosure Document
Services We Provide to Your Customers	Varies under circumstances	As incurred	(Note 7)

Type of Fee <small>(Note 1)</small>	Amount	Due Date	Remarks
Management Fee	Varies under circumstances but generally between 5%-10% of revenue earned during the period that we manage your business	As incurred	If you abandon the Franchise and we operate it until you return, you must reimburse us for our reasonable expenses and pay a reasonable management fee
Additional Assistance	Varies under circumstances but approximately \$400 per day	On receipt of invoice	We charge a daily fee plus expenses for assistance we provide at your request
Interest on Late Payments	The lesser of 2% over our bank's prime loan rate or the maximum amount permitted by law	On receipt of invoice	Interest begins from the date of non-payment. Owed for all overdue sums
Late Fees on Late Payments	10% of amount past due	On receipt of invoice	The late charge covers our administrative and collection costs
Indemnification	Varies under circumstances	As incurred	You must reimburse us for losses from claims, damage, or lawsuits arising from your operation of the Franchised Business
Costs and Attorneys' Fees	Varies under circumstances	As incurred	You pay these fees only if you breach the Franchise Agreement or if there are other claims related to our relationship
Insurance	Varies under circumstances	On receipt of invoice	You must reimburse us if we purchase insurance for you because you failed to do so
Technology Fee	\$18.00 per week	Weekly	You must use our proprietary software program and pay for our software support services. This fee may be used for, but is not limited to development, upgrades, support, error corrections and operational assistance
Software Fee	\$25	Weekly	The MicroMaid software is a subscription based product and therefore requires all franchisees utilizing it to pay the flat rate fee.
Annual Convention	Varies: Currently \$180 ea. per franchise owner	Prior to convention	(Note 9)

Type of Fee ^(Note 1)	Amount	Due Date	Remarks
Testing New Suppliers or Items	No charge	N/A	We will not charge you a fee for any reasonable examination or testing related to the new item or supplier

Explanatory Notes:

1. All fees are nonrefundable and are paid to us.
2. The Royalty structure rewards you for expanding the Franchised Business; the higher the Gross Revenue, the lower the Royalty percentage. Each week, you must remit to us the Royalty amount as follows, if you are in default under your agreement, your royalty remains at 6.9%, regardless of the amount of your Gross Revenues:

For the Part of the Annualized Amount of Your Weekly Gross Revenue That Is:	Your Royalty Percentage for the Week Is:
Less than \$300,000	6.9%
\$300,000 to \$699,999	6%
\$700,000 to \$899,999.99	5%
\$900,000 to \$1,499,999	4.5%
\$1.5MM to \$1,999,999	4%
\$2MM	3.5%

“Gross Revenue” includes the actual gross charges for all goods and services your customers purchase including exchanges in kind or barter, but excluding retail sales taxes any governmental authority imposes. We may, at our discretion, adjust the Gross Revenue brackets shown in the left column of the table to compensate for changes in the Consumer Price Index. We take a bank draft out of your operating account for your Royalty and other payments.

Franchisee Territories of more than 30,000 Qualified Households are required to generate a minimum of \$6 per each owned Qualified Household on an annual basis. In the event that a Franchisee with more than 30,000 Qualified Households do not meet the \$6 per QHH annual minimum for three consecutive years, then we have the right to take back QHH’s and place them in our open and available inventory, and we also have the right to terminate the franchise agreement. This is mandatory for any franchisee after its second full year in business. It is further agreed, however, that if you have given notice to us of your desire to renew the Franchise Agreement or transfer the Franchise Agreement and the franchised business, and you have not met this requirement, if we choose to permit the renewal or transfer, we will waive this provision for the renewal term or transferee, as applicable.

In addition, all franchisees are subject to the following minimum weekly Royalty:

Weeks	Standard Territory with 25,000 to 40,000 Qualified Households Minimum Weekly Royalty	Territory with in excess of 40,000 Qualified Households Minimum Weekly Royalty
Weeks 1-52	No Minimum	No Minimum
Weeks 53-104	\$200	\$400
Weeks 105-208	\$275	\$550
Weeks 209 and after	\$350	\$750

3. You will spend \$3500- \$4000 a month. Our marketing department will provide guidance on your local advertising, and will manage the digital campaign.
4. You will pay the local employee advertising fee to local advertisers, not us. This money is spent to find employees for your business. This fee is mandatory for the first two years of business, but may be required for a longer period if we determine it is necessary. This fee will also vary with the size of the territory and number of employees needed for your business.
5. This figure is an estimate only. The transfer fee allows us to recover our reasonable costs for completing the transfer, like attorneys' fees, the cost of investigating the transferee's qualifications, testing the transferee's suitability, conducting a Discovery Day, training costs, sales staff compensation and out-of-pocket expenses.
6. This figure is an estimate only. The renewal fee allows us to recover our reasonable costs for renewing your Franchise, like attorneys' fees to prepare the new franchise agreement and the general release, and administrative expenses related to, among other things, the paperwork for your renewal.
7. You must guarantee your services to your customers. If we believe we must respond to a complaint by your customer, and we enter the customer's home and inspect or correct your work, you must reimburse us for the costs we incur in doing so.
8. All new franchisees will be required to use MicroMaid. MicroMaid is a proprietary system tailored specifically for Maid Brigade franchisees and the Maid Brigade system.
9. Attendance at our annual convention is mandatory. Failure to physically attend convention during workshop and meeting days will result in a \$500 fine. Currently, we provide educational workshops and speakers. There is also a cocktail reception and dinner at our awards banquet, as well as plenty of time for networking with your peers. You are responsible for your own travel and lodging expenses. We decide the site for the convention, and we try to select a location that those who attend will enjoy; in the past, we have held our conventions in Las Vegas, Orlando, Puerto Vallarta, and 26 other locations.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee ^(Note 1)	\$35,000 for a territory with up to 30,000 Qualified Households and an additional \$1 for each additional Qualified Household	Lump Sum	On Signing Franchise Agreement	Us
Real Estate/Office ^(Note 2)	\$600 - \$1,000	Monthly	Prior to Opening	Third Parties
Computer Equipment ^(Note 3)	\$1,000 - \$2,000	Lump Sum	As Incurred	Third Parties
Equipment, Fixtures, Other Fixed Assets Including Leasehold Improvements, Signs, Pre-Opening Expenses ^(Note 4)	\$1,500 - \$3,000	As Incurred	As Incurred	Third Parties
Opening Inventory ^(Note 5)	\$3,700	Lump Sum	On Signing Franchise Agreement	Us
Security Deposits and Other Prepaid Expenses ^(Note 6)	\$1,500 - \$2,000	As Incurred	As Incurred	Third Parties
Automobile ^(Note 7)	\$1,700	Monthly	Prior to Use	Third Parties
Insurance and Bond ^(Note 8)	\$1,000 - \$2,000	Monthly	As Incurred	Third Parties
Training Expenses ^(Note 9)	\$2,000	Lump Sum	Prior to Opening	Third Parties
Opening Advertising and Telephone Listing ^(Note 10)	\$11,100 to \$12,600 for the first three (3) months, depending on the size of your territory, both for client and employee advertising	Lump Sum	As Incurred	Third Parties

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Electrolyzed water system and generator ^(Note 11)	\$1,350 to \$12,500	Lump sum if purchased or monthly if leased	Upon purchase or monthly if leased	Third party vendor.
Additional Funds-3 Months ^(Note 12)	\$35,700 to \$51,800 for the first three (3) months	As Incurred	As Incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT ^(Note 13)	\$96,150 to \$129,300	As Incurred	As incurred	To us and to third parties

Explanatory Notes:

1. The Franchise Fee is partially refundable, as shown in Item 5 of this Disclosure Document. If you do not complete our training program to our reasonable satisfaction, we can terminate your Franchise Agreement and retain enough of your initial fees to cover our costs incurred in connection with your franchise, refunding the rest to you.
2. You must establish and maintain an office that is approved by us, and the office may be in your home, if approved by us. Our approval is required for the size, rent and location of your office. It is our intention to help you properly control rent expense and assure that the space provides all elements required for operation of the business. The cost for your office will vary considerably depending on the size and location of the office, from a negligible amount for a small office in an office park to a substantial amount for a high-visibility office in an office complex, which rarely occurs. The size of your office will vary depending on the type of franchise you purchase ranging from 400 ft.² for a territory with at least 25,000 Qualified Households to 900 ft.² for a territory with over 40,000 qualified households.
3. This estimate includes a connection charge to a high speed Internet provider. We will give you a list of computer equipment you will need in order to operate our software program, MicroMaid, and other tools provided as part of our Total Management Software package. You do not purchase the computer equipment from us. The cost of the equipment you purchase will vary depending on the amount of equipment you buy, the supplier you choose, general economic conditions, your geographic location, and your persistence in obtaining the best prices available. You must have Internet access and email.
4. Your costs will vary depending on the size, configuration, and condition of the furniture, supplies, signs, and fixtures you select and the location of your office.
5. This represents your Initial Package. See Items 5 and 8 of this Disclosure Document.
6. Your landlord will generally require you to pay the first and last months' rent as a deposit. Utility companies and rental agencies will probably require you to pay deposits and prepaid expenses, including prepaid expenses relating to furniture, fixtures, or equipment you may lease.
7. You must use clean, relatively new automobiles for business transportation. The estimate includes the cost of the car wrap, but does not include ongoing gas and maintenance expenses, which you must normally pay on a monthly basis. If you purchase the automobile(s) you use, your initial investment will be significantly greater than the table shows. We require that your vehicles display our proprietary car "wrap," that we specify from time to time. Our approved vendors may include the cost of the wrap in the lease or purchase price of the vehicle.

8. The figures shown in the tables cover premiums for the insurance you must maintain and the costs you are likely to incur in obtaining a blanket fidelity bond in the amount of \$10,000 for each employee.
9. Franchise training is included in your initial investment. Training typically consist of Pre-Opening Training, Home Office Training, Boot Camp Training and Blastoff Training. See Item 11 of this Disclosure Document.
10. You must spend between \$3,500 to \$4,000 each month on local marketing. We specify the amount you must spend each month.
11. The use of electrolyzed water is required as part of Maid Brigade's PUREcleaning system. The current pricing for a ten gallon on-site generator is \$12,500 to purchase, or \$450/month to lease. The most current pricing and financial details will be provided to you by our operations department. The lower figure in the chart above is the lease payment for three months. Those who lease the generators typically do so for a period of five years.
12. Working capital covers the initial expenses you are likely to incur while you establish the Franchise, and those you are likely to incur between the time you begin providing services and the time you begin having a steady cash flow from payments by customers. These expenses include costs related to performing background checks, hiring employees, initial employee wages, and purchasing other goods and services. Your expenditures will depend on factors like your business skills and experience, general and local economic conditions, competition, the prevailing wage rate, the amount of services you provide during the initial period, how well the business is performing, and the number of hours you are willing to invest in the Franchise. These expenses do not include any draw or salary for the owners of the Franchise, but they do include additional office support services you may need.
13. In compiling this chart, we relied on our experience in the operation of home cleaning services and information our franchisees gave us. The amounts shown are estimates only and may vary for many reasons. You should review these estimates carefully with a business advisor before you make any decision to purchase a Franchise. Note that the total does not include any additional amount you would pay us to the extent that you purchase a territory containing Qualified Households in excess of 25,000, Each additional Qualified Household costs an additional \$1 in your Initial Franchise Fee. We do not offer direct or indirect financing to you for any of these expenses. Many of the expenses listed are not within our control and are determined more by general and local economic conditions than our actions. A bank or other lending institution may finance all or a part of your investment on terms we cannot estimate. The availability and terms of financing will depend on factors like the availability of financing, your creditworthiness, collateral you may have, lending policies of your financial institution, and local economic conditions.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We and our franchisees have an interest in ensuring the proper marketing and promotion of Maid Brigade products and services and in protecting the trademark, brand, quality and integrity of the Maid Brigade System. To protect our common interests, we require you to purchase certain products and services from us, from our designees, from suppliers or distributors we approve, or under our specifications.

You must purchase your Initial Package from us. See Item 5 of this Disclosure Document. The Initial Package includes your initial inventory of equipment and supplies. The MicroMaid software contains our confidential and proprietary information and is designed exclusively for Maid Brigade franchisees. As a result, there is no substitute for MicroMaid, and you must license it from us.

We have established a National Resource Center to support the Maid Brigade System. As you operate the Franchised Business, you will purchase approved Maid Brigade uniforms and printed materials, like sales material, from our National Resource Center or suppliers we designate. We are the only approved supplier for uniforms and printed

materials that bear our Marks, and we do not intend to approve other suppliers for these items. There are no approved suppliers in which any of our officers owns an interest.

Except as shown above, we do not require you to purchase or lease any goods, services, supplies, fixtures, equipment, inventory, computer software, or real estate from us or our designated suppliers. We do require that these items and suppliers meet certain specifications we have developed as part of the Maid Brigade System. The System regulates the types of services you offer, and provides specifications for the uniforms you and your employees wear, and the types of cleaning chemicals, supplies, equipment, office supplies, and miscellaneous materials you use in operating the Franchised Business. If an item meets our strict specifications, we may consider any supplier that meets our requirements to be an approved supplier.

We base our specifications for products and suppliers on our experience and best judgment as to how to enhance your business and profits. We evaluate the suppliers we approve for quality of products, reputation in the industry, and standards by which they conduct business. Specifications are likely to change periodically during the term of your Franchise Agreement. We have no formal procedures for formulating or modifying our specifications, except that we do so based on what we believe is best for the System.

We recommend certain suppliers, including a solutions supplier that can provide you with products at favorable prices. Under our arrangement with the solutions supplier, you may order products through an 800 number.

The Confidential Operations Manual, which we publish on our private website, contains the Standard Operating Procedures, specifications and requirements of the Maid Brigade System. If we establish a system of approved suppliers, we will notify you of their names and addresses by a modification to the Confidential Operations Manual. To assist you, we will sell many of these items directly to you. Many of our franchisees find it more convenient to purchase these items from us. Our National Resource Center publishes a product list on a Maid Brigade internal website that specifies the items we will sell you. Except as noted below, we receive no revenue from your purchases of supplies, equipment, or inventory from sources we approve. We have no purchasing or distribution cooperatives.

If you want to use any items that an approved supplier does not provide or that do not meet our specifications, you must first notify us and then submit sufficient specifications, photographs, and other information or samples of the items to us. We will examine and test them to determine whether we will approve the supplier or item. We will not charge you a fee to perform any reasonable examination and testing. We will communicate our decision to you within a reasonable time, which is generally 2 weeks. We may condition our approval of a supplier or item on the supplier or item meeting certain requirements like product delivery, quality, and customer satisfaction. We may terminate any approved supplier or item at our discretion. If we terminate a supplier or item, we will notify you as soon as possible.

In the fiscal year ended December 31, 2019, our total revenue was \$4,356,198. Our revenue from tech support fees for the MicroMaid and MaidSmart software was \$127,508. We derived an additional \$340,393 in gross revenue from the sale of other products to our franchisees, which includes both the required Initial Package as well as ongoing purchases from our National Resource Center, most of which can also be purchased from other approved vendors. The total of the product sales and software fees, \$467,901 represents approximately 10% of our total revenue in 2019. We derived these figures from our audited financial statements (see Exhibit D to this Disclosure Document) and from our internal accounting records. All of your required purchases (which include items you must purchase from us or approved suppliers, and items you must purchase in accordance with our specifications) represent less than 7% of your total purchases in connection with the establishment of the Franchise and less than 1% of your total purchases in operating the Franchise.

You must maintain certain insurance coverage. The insurance coverage we specify is the minimum any prudent business person would maintain, and includes "all risk" property and casualty insurance, commercial general liability insurance, care custody and control, automobile liability insurance for all owned, hired, and non-owned vehicles you or your employees operate in connection with the Franchised Business, and workers' compensation insurance as required

by law. Your cost for the insurance we require will depend on where the territory is situated, the insurance carriers' charges, your insurance history, and the level of your deductibles. Your insurance policies must provide that your insurers will give us 30 days' prior written notice of termination, expiration, or cancellation of any insurance. We may increase the minimum insurance limit or require different kinds of insurance if necessary to reflect normal business practices, court awards, and other relevant circumstances. You must maintain a blanket fidelity bond in the amount of \$10,000 that covers all of the employees you hire. We have entered into an arrangement with an insurance company that has developed a customized insurance and bonding package that meets our specifications. You may purchase insurance and your fidelity bond through the agency, but we do not require you to do so, nor do we derive any monetary benefit if you do.

We must approve all advertising, promotional, and marketing materials before you use them. Although we have 30 days to complete our review, we normally approve or disapprove advertising material within a shorter period of time.

ITEM 9 FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Section 3	Item 11
b. Pre-opening purchases/leases	Section 5.2	Items 5 and 8
c. Site development and other pre-opening requirements	Sections 4.2 and 4.7	Item 11
d. Initial and ongoing training	Sections 4.1 and 4.3	Items 6, 7, and 11
e. Opening	Section 3	None
f. Fees	Sections 4.8, 8, 9, and 18.9	Items 5, 6, and 11
g. Compliance with standards and policies/ Confidential Operations Manuals	Sections 4.5, 5, 7, 10, and 13	Items 8, 11, and 16
h. Trademarks and proprietary information	Sections 4.5, 4.8, 7, and 13	Items 13 and 14
i. Restrictions on products/services offered	Section 5	Item 16
j. Warranty and customer service requirements	Sections 5.1 and 5.3	Item 11
k. Territorial development and sales quotas	Section 2	Item 12
l. Ongoing product/service purchases	Sections 5.2, 5.3, and 5.4	Items 6 and 8
m. Maintenance, appearance and remodeling requirements	Not applicable	Not applicable

Obligation	Section in Agreement	Disclosure Document Item
n. Insurance	Section 6.1	Items 6 and 7
o. Advertising	Section 10	Items 6, 7, and 11
p. Indemnification	Section 17.2	Item 6
q. Owner's participation/management/staffing	Sections 4.3 and 5	Item 15
r. Records and reports	Section 11	Item 6
s. Inspections and audits	Section 12	Item 6
t. Transfer	Section 16	Items 6 and 17
u. Renewal	Section 1.2	Item 17
v. Post-termination obligations	Section 15	Item 17
w. Non-competition covenants	Sections 5.6 and 15.5	Item 15
x. Dispute resolution	Sections 18.1 and 18.17	Item 17

**ITEM 10
FINANCING**

We do not offer direct or indirect financing. We do not guaranty your note, lease or obligation.

**ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING.**

Except as listed below, we are not required to provide you with any assistance.

Services Before Operation

Before you open the Franchised Business, we will:

- (1) Meet with you and come to an agreement about the size and location of the Operating Territory for the Franchise. (Franchise Agreement, Section 2).
- (2) Assign a Start-Up Team to help you with Pre-Opening Training and to help you: (i) select a location for your office; (ii) establish a business plan for your first year; (iii) establish your plans for opening the Franchised Business; and (iv) prepare for your training. (Franchise Agreement, Section 4.1b)
- (3) Provide you with training that will include telephone, web based, corporate office and training at locations that we designate in the operation of a Maid Brigade Franchise (Franchise Agreement, Section 4.1). We describe our training program more fully below in this Item 11.

(4) Arrange a visit (travel and lodging at your own expense) to an existing franchise location, of the franchisor's choosing, to participate in and learn the practical application of business practices and procedures of the business. (Franchise Agreement, Section 4.1)

(5) Provide you with your Initial Package. (Franchise Agreement, Section 4.7)

(6) Grant you access to our library of manuals that are on our private site. The library of manuals includes the Confidential Operations Manual and other confidential and proprietary materials containing specifications, operating, safety, and marketing procedures we prescribe. We update these materials to meet the needs of the Maid Brigade System. We publish all manuals, or updates to them, on our private website. On termination of the Franchise Agreement for any reason, you must immediately return all hard copies of the manuals and all other proprietary materials to us. (Franchise Agreement, Section 4.5). You must keep the manuals up-to-date with replacement pages and inserts, and you must protect the confidentiality of the manuals. The table of contents of our Confidential Operations Manual as of the end of our last fiscal year is attached to this Disclosure Document as Exhibit G. Our Confidential Operations Manual contains a total of 234 pages.

(7) Grant you a license to use MicroMaid and other tools that comprise our Total Management Software Solution (Franchise Agreement, Section 4.9). The software and the computer equipment you will need are described below in this Item 11.

Services During Operation

During the operation of your Franchised Business, we will:

(1) Provide you with a toll-free number for telephone support and email support by our experienced staff and trainers in all aspects of the Franchised Business, including planning, hiring and training, marketing and promotion, insurance, telephone service, bookkeeping, and computer hardware and software. (Franchise Agreement, Section 4.4).

(2) Provide you with Blastoff Training. Our experienced trainers conduct the Blastoff Training at your office in order to provide you with help organizing and setting up your office, opening assistance, individualized training, help in training your first team of maids, reinforcing the specialized training programs you can use to train your employees, and establishing a marketing and sales program. (Franchise Agreement, Section 4.4). We describe our Blastoff Training more fully below in this Item 11.

(3) Provide you with assistance in fulfilling your Local Advertising Requirement during a defined period you and we mutually agree on. We will help you to more effectively spend your initial working capital for advertising and promotional activities. (Franchise Agreement, Section 4.4).

(4) Provide you with operating assistance by dedicating a support person to you, who will: (i) explain procedures for purchasing and using the supplies, equipment, forms, and materials you will use in operating the Franchised Business; (ii) help you design and implement advertising and promotional programs; and (iii) help you establish procedures for the proper operation of the Franchised Business. We provide support to you regarding personnel matters, our methods in scheduling cleaning teams, marketing to new customers, evaluating the quality of the services you and your employees provide, and other matters that will help you expand the Franchised Business. (Franchise Agreement, Section 4.4).

(5) Permit you to participate in all group-purchasing programs for products, materials, equipment, insurance, and supplies that we may periodically develop for our franchisees and for any Maid Brigade businesses we operate. (Franchise Agreement, Section 4.6).

(6) If you request, consider any items you propose to use (like supplies, forms, or manuals) in the Franchised Business that we have not previously approved, to determine whether they meet our specifications. (Franchise Agreement, Section 5.2).

(7) Offer you guidance concerning the prices you should charge for products and services. Although we will provide you with guidance, you do not have to take such advice; you have the sole right to decide how much you will charge for your services. (Franchise Agreement, Section 5.6). Maid Brigade provides a pricing model to help you set your prices to achieve your profit objectives.

(8) Provide you, and all other Maid Brigade franchisees who pay the weekly technology and software fee, with error corrections and new releases, if any, and with ongoing support, for the MicroMaid software. (Franchise Agreement, Section 4.9).

(9) Indemnify you against damages for which you are held liable arising out of: (i) your proper use of the Marks we license to you under the Franchise Agreement; (ii) false representations or warranties we make; and (iii) our wrongful acts, whether negligent or willful. To take advantage of this indemnification, you must notify us of the claim and must have complied with the Franchise Agreement. (Franchise Agreement, Section 17.1).

(10) Hold (1) one annual franchise conference and several regional meetings during each calendar year. Franchisees who attend the conference must pay their own travel and living expenses. We impose a small fee (currently \$180).

(11) List the Franchised Business on our web site to the same extent as we list other Maid Brigade franchisees generally. (No specific reference in the Franchise Agreement).

(12) Develop and implement advertising and promotional programs paid for by the Advertising Fund (the "Fund") to which all franchises, and Maid Brigade businesses, must contribute 2% of their Gross Revenue. We will spend all sums we receive, less payment of administrative costs, on advertising and promotional efforts. On request, we will provide you with an audited annual statement of the receipts and disbursements of these sums. (Franchise Agreement, Section 10.1).

Advertising Fund

We will spend amounts that the Fund receives on national, local, or regional marketing programs that directly or indirectly cover the Designated Market Area where our franchisees are located, and on developing alliances that will maximize general public recognition of the Maid Brigade System. However, we are under no obligation to make expenditures in a given franchisee's Operating Territory that are equivalent to the franchisee's contribution to the Fund or to ensure that any particular franchisee benefits directly or *pro rata* from the Fund's expenditures. We may also spend amounts that the Fund receives to perform test marketing, conduct surveys, to compensate marketing/advertising staff or engage in other activities we believe will benefit the Maid Brigade System. We will use all contributions to the Fund, and any earnings on sums deposited in it, exclusively to meet the cost of maintaining, administering, researching, directing, and preparing advertising or promotional activities. We will maintain the Fund in an account separate from our other monies, and will not use it to defray any of our expenses except for reasonable administrative and marketing wages and costs and overhead we may incur in activities related to administering the Fund and advertising programs for our franchisees. The Fund is not and will not be our asset. During the fiscal year ended December 31, 2019, the Fund spent its income on marketing programs (15%), internet (70%), creative (10%), and miscellaneous (5%). The Fund has never spent any sums to solicit new franchisees. If all advertising fees are not spent in the year in which they are collected, the amounts are rolled into the next year. Although the Fund is intended to exist indefinitely, we retain the right to terminate the Fund, provided all monies in the Fund have been expended for advertising or promotional purposes or returned to contributors on the basis of their respective contributions.

The Maid Brigade National Advertising Council (the "Council") gives us recommendations on matters related to the Fund, such as the conduct of local, regional, and national advertising campaigns, internet advertising, charitable contributions, and civic involvement. The current Council has 10 members, 6 elected by our franchisees and 4 appointed by us from our corporate staff. (Franchise Agreement, Section 10.1). The role of the Council is advisory only. We have the power to change or dissolve the Council. The Maid Brigade National Advertising Council By-Laws can be amended at any regularly scheduled meeting of the Council by a majority vote.

The Fund may pay us for services we provide to the Fund, like collecting fees, producing financial statements, maintaining the Fund's accounts, and other activities the Council authorizes. We will not direct money from the Fund to sell franchises.

We will make available to you copies of all advertising materials that we develop and that the Fund pays for. You are responsible for paying for the cost to reproduce and ship the materials. These materials allow you to customize your advertising according to your particular needs. If you decide not to use our preapproved advertising materials, you can choose your own advertising agency or supplier and produce your own advertising materials; however, we must approve all advertising, including the type and content of the advertisements, the media in which the advertisements will appear, and any advertising programs you devise, before you use them. (Franchise Agreement, Section 5). Generally, we approve or disapprove the materials within 2 weeks after we receive them.

You will spend \$3500- \$4000 a month. Our marketing department will provide guidance on your local advertising, and will manage the digital campaign. We determine the exact amount you must spend each month.

You must provide us with monthly reports documenting your advertising expenditures, to include P&L and other documentation as requested, that we may verify you are fulfilling your local advertising requirement. If you spend more on local advertising, you may not use the excess as an offset against advertising fees you pay to the Fund. See Items 6, 8, and 9 of this Disclosure Document.

Computer Systems

Our recommendations are based upon the configuration of hardware and software that will best serve your business needs, taking into account current and future software applications. Because our current software is lightweight and cloud based, you may use a laptop or desktop computer with a suitable Internet connection.

The current suggested **minimum** computer specifications are: current version of Windows Professional operating system, a current generation i5 Intel processor, 8 GB RAM, Gigabit Network Card (NIC), Network switch that is Gigabit compatible, 500 Mb, 7200 RPM hard disk drive or 256 Mb SSD drive, current version of Microsoft Office (Word, Excel, PowerPoint, Outlook), antivirus software (including email protection), firewall - software and hardware (if applicable), and local and remote backup methods, e.g. local backup and remote internet based backup facility. You will also need a 20" widescreen HD color monitor, uninterruptible power supply (UPS), color printer, and a 25 Mbps broadband internet connection. While we anticipate that you should be able to use your existing computer equipment, if you choose to purchase new equipment that cost may be in the range of \$400 to \$1,000, depending on what you purchase, and annual updates and maintenance may run \$100 each year.

Although you have no contractual obligation to upgrade your hardware or software, it is to your advantage to keep your system up to date so that it functions and supports your operation in an optimal manner.

You are required to use Maid Brigade proprietary products, currently MicroMaid Cloud and our Total Management Software Solution.

You must use our proprietary software which is designed to manage most of the business functions of the Franchise, including customer servicing, lead tracking, scheduling, payroll, productivity reports, and home office data consolidation. By using MicroMaid Cloud, you will be able to:

- Manage your operations by:
 - Scheduling your jobs by day, by team, and by customer
 - Calculating the efficiency and productivity of each team and team member, and reporting on those homes cleaned where the actual hourly rates were below the desired level
 - Preparing detailed individual payroll reports and summaries
 - Maintaining a complete database record on each customer, including the customer's name and address, directions to the customer's location, the price you charge, and the frequency of your visits
- Manage your finances by:
 - Generating weekly performance analysis reports, measuring productivity, and reporting your productivity to us so we can generate regional and national productivity reports
 - Calculating your employees' gross pay and personal vehicle mileage reimbursements
- Manage your marketing by:
 - Collecting critical data on sales leads, bookings, conversions, and cancellations, broken down by advertising source
 - Collecting and compiling prospective customers' names, addresses, telephone numbers, and other information for use in sales and marketing
 - Producing mailing lists and mailing labels for follow-up mailings
 - Tracking the effectiveness of each sales representative you employ.
 - Recording your weekly advertising expenditures

As long as you pay the weekly technology fee and the weekly software fee, we will provide you with services for the MicroMaid Cloud software, including but not limited to, upgrades, development, support, error corrections, operational assistance, and other changes we deem necessary to keep our software current. Fees for the MicroMaid Cloud program are described in Item 6 above. (Franchise Agreement, Section 4.9). See Item 6 of this Disclosure Document.

Your license to use MicroMaid Cloud as part of our Total Management Software Solution is contained in Section 4.9 of the Franchise Agreement. You are prohibited from translating, reverse engineering, reverse compiling, disassembling, or creating derivative works of Total Management Software Solution. Since Total Management Software Solution is proprietary to us, you agree to protect its confidentiality and to prevent unauthorized use of it. See Item 14 of this Disclosure Document.

Except for Windows Operating System, LogMeIn (or other remote access application), FTP program like FileZilla, Microsoft Office, Adobe Acrobat Reader, WinZip, Microsoft MapPoint, Microsoft Internet Explorer, and QuickBooks, we are not aware of any hardware component or software program you will use that is the proprietary property of a third party. Windows Operating System, TeamViewer, Microsoft Office, Adobe Acrobat Reader, WinZip, Microsoft Map Point, Microsoft Internet Explorer and QuickBooks are commonly available on the consumer market. Our plan is to distribute upgrades and new releases to MicroMaid Cloud at no charge; however, we reserve the right to change our policy at any time. You will allow us to log on to your computer system remotely. There are no contractual limitations on how we may use any information we obtain.

Use of newly released proprietary software is required, as is the necessary maintenance steps for these products such as updating and synchronizing. You are prohibited from translating, reverse engineering, reverse compiling, disassembling, or creating derivative works of any proprietary software provided by Maid Brigade and you agree to protect its confidentiality and to prevent unauthorized use of it.

Finally, we have no obligation to assist you in finding computer equipment or components.

Site Selection

You select the site for your business premises within the Operating Territory, and may operate out of your home. You must obtain our approval of the location. (Franchise Agreement, Section 3). If we do not disapprove your site within 10 business days after you submit the proposed site to us, your site is deemed approved. In evaluating your site, we look at the labor market, proximity to your customers, the size of the space, and the rental rate. See Item 12 of this Disclosure Document. Your business premises are not crucial to the main business activity of your Franchised Business; thus, we rarely, if ever, disapprove a site. In the unlikely event we do not approve your initial site selection, we will work with you until you find a mutually acceptable site.

Time to Open the Franchise

The typical time between signing the Franchise Agreement or the first payment of any consideration to us and the start of your training is 2 to 4 weeks. You must open the Franchised Business within 90 days after you successfully complete pre-opening training and training at our corporate headquarters. (Franchise Agreement, Section 3). You must open the Franchised Business no later than 6 months after signing the Franchise Agreement.

Training Programs

We will provide you with the formal training necessary to operate your Maid Brigade Franchise. (Franchise Agreement, Sections 4.1 and 4.2). You must successfully complete the training program before you begin operating the Franchised Business. Our instructors and support staff will welcome you to Maid Brigade, discuss your questions, and help you through the material. The primary instructional material for all of our training programs is our Operations Manual.

PRE-HOME OFFICE TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Countdown	3 hours	0	Your home
Confidential Operations	1 hour	0	Your home
Financial Planning Tools	3 hours	0	Your home
Totals	7 Hours	0	Your home

Explanatory Notes:

1. You will participate in the Pre-Home Office Training through our private website and by reviewing our Countdown, Confidential Operations Manual. Our instructors and support staff will welcome you to Maid Brigade, discuss your questions, and help you through the material. We will send you the material you need to begin the Pre-Home Office Training when the Franchise Agreement is fully executed and we receive the initial franchise fee and the fee for the Initial Package. The time to complete the Pre-Home Office Training varies depending on how much time you can devote to training and how quickly you can absorb the material. We do not charge any additional fee for the Pre-Home Office Training.

2. Our Staff Instructors have the following experience and concentration in the areas they will be teaching:

Instructor	Experience		Instructor	Experience
Bart Puett	36 Years		Michael Vinson	27 Years
Whitney Samuelson	23 Years		Mary Saylor	20 Years
Raychel Sullins	21 Years		Greg Nicklas	19 Years

NEW FRANCHISE TRAINING (See Note 1)

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Greeting	1	0	Virtual
Technology	4	0	Virtual
Pricing & Financial Planning	2	0	Office of one of our franchisees
Marketing and Product	7	0	Virtual
Sales and Software	7	0	Virtual
Local Client Care	7	0	Office of one of our franchisees
Partners with Maid Brigade and Next Steps in Training	5	0	Office of one of our franchisees
Total	33	0	

Explanatory Notes:

1. We conduct the New Franchise Training throughout the year, either virtually or at the office of an existing franchisee. This training is will give you experience in all aspects of operating your Franchised Business including among other things, our product and services, customer relations, employee relations, Heart at Work (the Maid Brigade culture for fostering great relationships), and sales techniques, as well as instruction on administration, marketing, time management, structuring the services you offer, MicroMaid Software, and analyzing the Franchised Business. You may send 2 or 3 people responsible for managing the Franchised Business to the Training, depending on the number of Qualified Households you purchase, at no charge. You will be responsible for all travel, food, lodging, salary, and benefit costs of your personnel attending the Training. If space is available, you may send additional attendees at no additional charge. (Section 4.1 of the Franchise Agreement).
2. We describe the experience of our Staff Instructors in the “Explanatory Notes” section of Pre-Opening Training, above.

BLASTOFF TRAINING (See Note 1)

Subject	Hours of Classroom Training	Hours of On the Job Training
Sales: Commercial, newsletters, use of electronic distribution companies, and sales presentation.	1	0
Local Client Care – Hands-on in a coaching format. This will include in-home confirmation visits, follow-up phone calls, customer service and community networking.	4	3
Employees: Handling tough issues, field training, evaluations, termination, team transition, and training the trainer tips & tricks.	3	12
Administration: bookkeeping, payroll, scheduling, time management, supply management, filing, safety, and insurance claims management.	3	0
Time Management: Day-to-day routine, answering telephone, MicroMaid, entering data; producing daily, weekly, and monthly reports; accounts receivable/accounts payable, payroll, ordering supplies, setting up the office.	15	0
Total	26	15

Explanatory Note:

1. The Blastoff Training occurs after the initial Pre Opening and New Franchise training . We conduct the Blastoff Training at your office at mutually convenient times. We do not charge any additional fee for the Blastoff Training. You will also receive additional days of training and consultation within the first 6 months of your grand opening.

**ITEM 12
TERRITORY**

The franchise that we grant to you is to be operated out of a site that we will approve after you sign your franchise agreement. If you want to relocate your office, you may do so as long as the new office is within your Operating Territory, and we have approved the new location. You will have an exclusive territory (which we refer to as the “Operating Territory”). The number of qualified households in the Operating Territory will depend on the size of Franchise you purchase:

A “Qualified Household” is a household with an estimated household income sufficient to place it in the upper-middle to upper class in the Operating Territory, as we determine in our Reasonable Business Judgment. See Item 5 of this Disclosure Document.

You will be the only person we authorize to use our System, which includes our Marks, in the Operating Territory. We expect you to establish your office in the Operating Territory, although we do not dictate where in the Operating Territory you must locate your office, and to market, promote, and advertise your Franchise only in the Operating Territory. With the permission of Maid Brigade, you can serve customers reasonably located outside of the Territory, so long as they are not in the territory of any other franchisee, unless that franchisee consents. You will not be allowed to actively market to or advertise in an area outside the Operating Territory. If you service a customer outside of the Territory who is not in the territory of another franchisee, but we later include that territory in the Operating Territory of another franchisee, you have to give up that customer. We have the right to determine the reasonable transfer time of those customers from an existing office to a new office and that determination will be in the best interest of the customer. The geographic size of the Operating Territory will vary from the size of the Operating Territories of our other franchisees. In rural areas, an Operating Territory may consist of several counties, while in densely populated urban areas, an Operating Territory may be a town or city. In major cities, an Operating Territory may be only a portion of the city. Before you sign the Franchise Agreement, we will insert the geographic boundaries of the Operating Territory in Schedule A to the Franchise Agreement, or we will attach a map of the Operating Territory to Schedule A. We cannot alter the size of the Operating Territory without your written agreement. We will not shrink the size of the Operating Territory if the number of qualified households in it increases during the term of your Franchise Agreement. If the number of qualified households decreases during the term, we may agree to expand the Operating Territory, provided additional area is available, you have been in full compliance with the Franchise Agreement, and other matters are met.

As described in Item 1 above, we have also franchised a home cleaning concept under the “Maid Simple House Cleaning” mark. Those franchisees will have protected territories that will not overlap with a Maid Brigade franchise and will not compete with Maid Brigade franchisees for customers. We no longer offer Maid Simple House Cleaning franchises. Other than the Maid Simple system, we do not operate or franchise others to operate any business in the United States offering services similar to those offered under the System under trade names or trademarks other than “Maid Brigade” and other Marks we license to Maid Brigade franchisees, nor do we intend to do so; however, we reserve all rights to the System, including the Marks, that we do not license to you, and thus have the right to do so. In addition, while neither we nor any affiliate of ours sells any products or services through the internet or any other alternative means of distribution, either under the Maid Brigade name or otherwise, we reserve the right to do so, either within the territory or outside of it. If we make such a sale within the territory, we anticipate that you would not be compensated for the sale. You are not allowed to sell any products or services through any such alternative means of distribution, whether within the territory or otherwise.

In addition to the minimum royalty described in Item 6 above, your rights to the Operating Territory depend on you achieving a certain sales volume in your territory. Franchisee Territories of more than 30,000 Qualified Households are required to generate a minimum of \$6 per owned Qualified Household on an annual basis. In the event that those Franchises with more than 30,000 Qualified Households do not meet the \$6 per QHH annual minimum for three consecutive years, then we have the right to take back QHH’s and place them in our open and available inventory. In addition, under those circumstances, we can also terminate your franchise agreement, with no refund of the initial franchise fee. This is mandatory for any franchise after their second full year in business. You do not have any options, rights of first refusal or similar rights to acquire additional franchises.

ITEM 13 TRADEMARKS

We own several trademarks, service marks, symbols, and logotypes that we license to you under the Franchise Agreement (the “Marks”). The principal Mark you will use to identify your Franchised Business is the service mark “Maid Brigade®.”

We registered the Mark “Maid Brigade” on the Principal Register of the United States Patent and Trademark Office (the “PTO”) as follows:

Mark	Registration No.	Registration Date	Type of Mark
MAID BRIGADE	1,432,295	March 10, 1987	Service Mark
MAID BRIGADE LOGO	2,766,577	September 23, 2003	Service Mark
Green Clean Certified (logo and words)	3,487,089	August 19, 2008	Service Mark
Green Logo (only)	3,391,562	March 4, 2008	Service Mark
Green Cleaned Certified (words only)	3,460,773	July 8, 2008	Service Mark
Maid Brigade Your Home. Cleaner.	3,332,786	November 6, 2007	Service Mark

We have filed all required affidavits of use with the PTO, and the PTO has accepted them. Because the “Maid Brigade” Mark has been registered for more than 10 years, its registration has become incontestable.

We have registration of the “Maid Brigade” service mark in the following countries, as a part of our international expansion campaign:

Country	Mark	Date Registered	Serial Number
Egypt	MAID BRIGADE	February 12, 2000	130,585
European Community	MAID BRIGADE	January 13, 2000	001464213
Singapore	MAID BRIGADE	January 15, 2000	T00/00574J

We grant you a limited license to use the Marks in connection with your operation of the Franchised Business, provided you comply with our requirements. We also license others to use the Marks; thus, we refer to your license as “nonexclusive.” Although your license to use the Marks is nonexclusive, neither we nor any other franchisee of ours may sell services using the Marks in the Operating Territory. After the Franchise Agreement terminates or expires, you cannot: (i) use the Marks, directly or indirectly, or any colorable imitation of them; (ii) identify your office or any other business of yours as a Maid Brigade Franchise; or (iii) identify yourself as a former franchisee of ours, or suggest in any way that you and we were associated.

You must use the “Maid Brigade” Mark in the form “Maid Brigade of [the city or other geographic identifier where the Operating Territory is located]” to identify your Franchised Business. You cannot use any Mark as part of any corporate name or with any prefix, suffix, or other modifying words, designs, or symbols unless we agree. We may add additional marks to the Marks we license you to use or delete marks from the Marks, and may modify any or all of the Marks. If we do so, you must use them as we specify. We will reimburse you for the reasonable out-of-pocket costs you incur due to our modification or discontinuance of any Mark, but not for expenditures you make related to advertising or promotional material. Since we own all rights to the Marks, we will not compensate you for any goodwill associated with your use of the Marks; your use of the Marks and any goodwill you establish in them will inure to our benefit.

There are no presently effective determinations of the PTO, the Trademark Trial and Appeal Board, the Trademark Administrator of any state, or any court, that materially limit your right to use any Mark. There is currently no pending interference, opposition, or cancellation proceeding, nor any pending material litigation, involving the Marks that is relevant to their use anywhere in the United States. There are currently no pending agreements in effect that affect or limit our use or our ability to license others to use the Marks in any manner material to your Franchise. To our knowledge, there are currently no superior rights or infringing uses that could materially affect your use of the Marks in any state.

We will defend you against, and reimburse you for, any damages for which you are held liable in any proceeding (like a trademark infringement or unfair competition proceeding) arising out of your proper, authorized use of the Marks.

You must notify us of any apparent infringement of the Marks, any challenge to your use of them, and any claim to rights to the Marks by any person who is not a franchisee of ours. We have the right to protect and defend the Marks and to monitor their use. We intend to protect our rights in the Marks, and will take any action we deem appropriate to enforce our rights related to them. We have the exclusive right to control any litigation or administrative proceeding in any way related to any Mark, and to receive any damages or benefits arising out of any action related to the Marks.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents, pending patent applications, or registered copyrights that are material to your Franchise.

We claim common law rights and copyright protection in a number of different items you will use in operating your Franchised Business, including our Total Management Software Solution software, our Confidential Operations Manual, our advertising and promotional materials, and our administrative and office forms. We have not registered any of these copyrighted materials with the United States Registrar of Copyrights, although we may do so.

There are currently no effective determinations of the United States Copyright Office or any court regarding any of our copyrights, nor are there any currently-effective agreements between any third parties and us that will significantly limit our right to use or license others to use any of our copyrighted material in any manner material to your Franchise. We do not know of any infringing uses that could materially affect your use of our copyrighted material in this state or any state in which the Franchised Business is located.

We grant you a non-exclusive license to use our MicroMaid software and Total Management Software Solution software. The license agreement requires you to acknowledge and agree that the software is a valuable, proprietary product of ours, the design and development of which took considerable time and money and the effort of skilled computer programmers. You agree to keep the software and any data you generate confidential during and after the term of the Franchise Agreement. You must take reasonable steps to ensure the secrecy of the software and to prevent any unauthorized person from gaining access to it. You must treat the software as our confidential, proprietary, and trade secret information.

We claim proprietary rights in the contents of our Confidential Operations Manual and in all other materials and information related to the Maid Brigade System including our methods of operating a business, housecleaning techniques, specifications, marketing and sales techniques, advertising programs, cleaning equipment and supplies, supplier lists, price lists, expansion plans, advertising strategies, and other information we create or use. You agree to maintain the confidentiality of this information both during and after the term of the Franchise Agreement, and agree that you will not use this information in any other business or in any manner that we do not approve in writing. You may not communicate, divulge, or otherwise display this information to anyone other than your employees who have a need to know of it in order to operate the Franchised Business. You must have all your management personnel execute a non-disclosure/non-compete agreement, in a form we prepare, to ensure that they maintain the confidentiality of our confidential and proprietary information. Your client lists are our property, and you cannot use them for any purpose other than to support

the Franchised Business. We have the right to take legal action against you if there has been an unauthorized use of our confidential information through you.

We are not required to protect or defend our copyrights, although we intend to do so when it is in the best interests of the Maid Brigade System. We have the exclusive right to control any copyright litigation. We are not required to participate in your defense or to indemnify you for damages or expenses you incur if you are a party to any administrative or judicial proceeding involving our confidential information or copyrighted materials.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION
OF THE FRANCHISE BUSINESS

We generally grant franchises only to individuals who are looking for an active, rather than a passive, investment. You must directly supervise the Franchised Business. You may hire a manager or a management team to assist you as you deem appropriate. We have the right to approve any manager you hire before the manager assumes management responsibility for the Franchised Business. We advise that all senior managers of your business attend Home Office and MVP Training Programs. Your managers must execute a non-disclosure/non-compete agreement, a form we prepare, that obligates them to maintain the confidentiality of our trade secrets and confidential information, including our Confidential Operations Manual. You must inform us immediately when any manager leaves your employment.

You sign the Franchise Agreement in your individual capacity. You may assign the Franchise Agreement to a corporation, provided the corporation conducts no business other than the Franchised Business, and further provided that you actively manage the corporation and control the majority of its equity and voting power. You make the assignment through a Corporate Assignment Agreement (see Exhibit C to this Disclosure Document) in which you and your company agree to be bound jointly and severally by all provisions of the Franchise Agreement. Because you personally sign the Franchise Agreement, we do not require that you also sign a personal guaranty. All obligations of confidentiality and noncompetition under the Franchise Agreement are your personal obligations. All issued and outstanding share certificates of your company must bear a legend stating that you will not transfer, assign, or sell any shares without our approval. If you assign your Franchised Business under the Corporate Assignment Agreement, the corporation may hire a manager or management team to supervise the day-to-day operations of the Franchised Business, subject to our requirements regarding the employment of managers. Your managers are not required to have an equity interest in your corporation or in the Franchised Business. See Item 17 of this Disclosure Document.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISE MAY SELL

The Maid Brigade System is a comprehensive system for operating a home cleaning service. The System offers customers the same services from each franchisee; thus, you must offer the professional daytime, light housecleaning services we authorize. We have the right to change the System and the goods and services you will offer under it as we deem appropriate. You may not offer heavy janitorial services and any other services we do not authorize.

In offering these services, you may use only equipment, materials, supplies, uniforms, forms, and products that meet our specifications. You must operate the Franchised Business in complete compliance with our System, which permits us to dictate requirements about your uniforms, cleaning materials, procedures for performing cleaning services, hours of operation, and advertising.

You may provide authorized services to any customers you desire within the Operating Territory. You may not solicit or provide services outside the Operating Territory. You must refer prospective customers outside the Operating Territory to the Maid Brigade franchisee with rights to that Operating Territory, or to us.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise or other Agreement	Summary
a. Length of the franchise term	Section 1.1	10 years
b. Renewal or extension of term	Section 1.2	If you meet certain requirements, you may renew for an additional 10-year term
c. Requirements for you to renew or extend	Section 1.2	Full compliance with the agreement during initial term, give us notice, sign a new franchise agreement, pay a renewal fee, and sign a release. Your new agreement may have materially different terms and conditions than your original contract, but the boundaries of the Territory will remain the same. The royalties and other fees may increase but they will be no greater than the royalties and other fees that we then impose on similarly situated renewing franchisees.
d. Termination by you	Section 14.1	If we breach agreement and do not cure after notice and opportunity to cure
e. Termination by us without cause	None	Not applicable
f. Termination by us with cause	Sections 14.2 and 14.3	We can terminate if you default or commit any one of several listed violations
g. "Cause" defined — curable defaults	Section 14.3	10 days to cure monetary defaults; 20 days to correct financial problems; 30 days for breach of certain provisions of agreement; 60 days to assign franchise after death of franchisee; 2 days for failure to actively operate franchise or for operating franchise in unsafe manner; 3 days for selling or using unauthorized products; and prompt response to satisfy customer complaints

Provision	Section in Franchise or other Agreement	Summary
h. "Cause" defined — non-curable defaults	Section 14.3	Assignment for the benefit of creditors, bankruptcy, insolvency, abandonment of franchise, execution, seizure, foreclosure, levy or distress against your assets; failure to report purchases; financial misrepresentation; attempted transfer of franchise without following procedures; unauthorized use of our trademarks or confidential information; repeated failures to submit required information to us; repeated understatement of Gross Revenues; receipt of 2 or more notices of default during any 12-month period; violations of laws or regulations covering operation of franchise; failure to achieve minimum sales levels for three consecutive years; and multiple violations of agreement whether or not cured
i. Your obligations on termination/non-renewal	Section 15 and Schedule D	Pay outstanding amounts, de-identify (including changing telephone number), return manuals and confidential information to us, return proprietary software and a listing of all past and current customers, comply with covenant against competing with us, sell us your franchise if we exercise our right to purchase, transfer your telephone numbers and directory listings to us, professionally correspond with customers and return property and keys
j. Assignment of contract by us	Section 16.1	We may freely assign the agreement in our absolute discretion
k. "Transfer" by you — definition	Section 16.2	Includes direct, indirect or contingent transfer, in whole or in part, of any interest in the Franchised Business
l. Our approval of transfer by you	Sections 16.2, 16.3, and 16.4	Right to withhold approval at our sole discretion in most cases except assignment by individual franchisees to a corporate franchisee or transfers among individual franchisees
m. Conditions for our approval of transfer	Sections 16.2, 16.3, and 16.4	Transferee meets our criteria, you are current on your obligations to us, you pay a transfer fee, you give us notice and sign a release, and transferee signs current franchise agreement
n. Our right of first refusal to acquire your business	Section 16.6	This right is triggered by your receiving a <i>bona fide</i> written offer to purchase your Franchised Business and its assets
o. Our option to purchase your business	Section 15.6	This option is triggered by the termination or nonrenewal of your agreement
p. Your death or disability	Section 16.5	No transfer fee is charged
q. Non-competition covenants during the term of the franchise	Section 5.6	You may not engage in any business that interferes with your obligation to manage your Franchised Business

Provision	Section in Franchise or other Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Section 15.5	2 years and within and outside of the Operating Territory
s. Modification of the agreement	Section 18.4	No modification without written agreement, but we may change manual without your consent
t. Integration/merger clause	Section 18.10	Only terms of the Franchise Agreement (subject to state law) are binding. Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. Nothing in the Franchise Agreement or any related Agreement is intended to disclaim our representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	None	No provision
v. Choice of forum	Section 18.16	Litigation in state or federal courts in Fulton County, Georgia (subject to applicable state law)
w. Choice of law	Section 18.18	Georgia law applies (subject to applicable state law)

**ITEM 18
PUBLIC FIGURES**

We do not use any public figure to promote our franchise. You have no right to use the name of any public figure for purposes of promotional efforts, advertising, or endorsements, except with our prior written consent. No public figure has any investment in the System or us.

**ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC 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 actual 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.

**PLEASE READ THE IMPORTANT
INFORMATION THAT FOLLOWS THESE FIGURES.**

**Sales Summary Report
Year Ending December 31, 2019**

The table below includes average and median sales information for all franchised businesses that were in operation for one calendar years or more as of December 31, 2019. Many of these franchisees have more than one territory, and the figures set out above represent total revenues owned by each franchisee.

Some outlets have sold this amount. Your results may differ. There is no assurance that you'll earn as much

Franchisees	Sales Range 2019	Median Sales 2019	Average Sales 2019
Top 1/3 performing franchisees (25 franchisees)	\$1,055,444 to \$7,452,398	\$1,661,750	\$1,904,013 (32%)
Middle 1/3 performing franchisees (24 franchisees)	\$514,141 to \$895,987	\$671,088	\$678,115 (50%)
Lowest 1/3 franchisees (24 franchisees)	\$64,481 to \$506,718	\$399,087	\$341,964 (54%)

Sales, expenses, and income will vary from franchised business to franchised business and market to market, and we do not represent that Gross Revenues for the franchisees shown herein for the periods indicated will accurately predict the future results for those franchisees or for any potential franchisee. Factors that may affect Gross Revenue, and which you should consider carefully in evaluating this information and in making any decision to purchase a Franchise, include income and demographic characteristics of a particular market area; competition; expense variables in a particular market (e.g., rent, advertising expense, insurance costs, and labor costs); your business skills; your motivation and effort in operating the Franchise; your financial wherewithal and financial capabilities; your ability to borrow money that you may need to operate the Franchise and the terms of debt obligations; conditions generally prevailing in the local and national economy; the number of employees you hire; the size of the operating territory; and your general business acumen.

WRITTEN SUBSTANTIATION FOR THIS FINANCIAL PERFORMANCE REPRESENTATION IS AVAILABLE TO YOU UPON REASONABLE REQUEST.

NOTES

1. These charts include only franchisees that were part of our franchise system as of December 31, 2019. Franchisees who were terminated (mutually or unilaterally) or abandoned the system prior to December 31, 2019, are not included. If a franchise had multiple owners due to a transfer or sale and the franchise continued uninterrupted, the franchise is represented only once in the charts and its cumulative Gross Revenues are shown. *Gross Revenue is shown on an annual basis.* The chart contains no information regarding Company-owned businesses.
2. We obtained Gross Revenue information from our internal records based on franchisees reporting their Gross Revenues when they made royalty payments to us. All records we have are available for your review at our corporate headquarters. Gross Revenue information used to compile this chart has not been audited.
3. Other factors besides the number of operating territories of a franchisee may affect a franchisee's annual Gross Revenues and thus explain why some franchisees have a higher annual Gross Revenue than others. Those factors include: (i) the skill and experience of the franchisee; (ii) the effort the franchisee devotes to his or her franchised business; (iii) the franchisee's business acumen; (iv) whether the operating territory is in a rural versus an urban setting; (v) prices charged by the franchisee for products and services; (vi) the number of maid teams used by the

franchisee; (vii) the amount of advertising and promotional expenditures undertaken by the franchisee; (viii) general economic conditions; and (ix) the growth or shrinkage of the population in the operating territory.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

TABLE 1

**SYSTEM WIDE OUTLET SUMMARY
FOR FISCAL YEARS 2017 TO 2019**

<u>Outlet Type</u>	<u>Year</u>	<u>Outlets at the Start of the Year</u>	<u>Outlets as the End of the Year</u>	<u>Net Change</u>
Franchised	2017	373	365	-8
	2018	365	367	+2
	2019	367	349	-18
Company Owned	2017	6	6	0
	2018	6	6	0
	2019	6	24	+18
Total Outlets	2017	379	371	-8
	2018	371	367	-4
	2019	367	367	0

TABLE NUMBER 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS

(OTHER THAN THE FRANCHISOR)

FOR FISCAL YEARS 2017 TO 2019

State	Year	Number of Transfers
	2017	0
California	2018	1
	2019	1
	2017	0
Connecticut	2018	7
	2019	0

State	Year	Number of Transfers
	2017	4
Georgia	2018	0
	2019	0
	2017	0
Maryland	2018	1
	2019	0
	2017	2
Michigan	2018	0
	2019	0
	2017	0
Nebraska	2018	0
	2019	0
	2017	0
New York	2018	2
	2019	0
	2017	0
Pennsylvania	2018	1
	2019	1
	2017	0
South Carolina	2018	1
	2019	0
	2017	1
Tennessee	2018	0
	2019	0
	2017	0
Texas	2018	1
	2019	0
	2017	0
Washington	2018	0

State	Year	Number of Transfers
	2019	1
Totals	2017	7
	2018	8
	2019	3

**TABLE NUMBER 3
STATUS OF FRANCHISED UNITS**

FOR THE FISCAL YEARS 2017 TO 2019 *(See Note 1)*

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at the end of Year
	2017	0	0	0	0	0	0	0
Alabama	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Alaska	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	12	0	0	0	0	0	12
Arizona	2018	12	0	0	0	0	0	12
	2019	12	0	0	0	0	0	12
	2017	0	0	0	0	0	0	0
Arkansas	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	48	0	0	0	0	4	44
California	2018	44	0	0	0	0	0	44
	2019	44	0	0	0	0	0	44
	2017	3	0	0	0	0	0	3
Colorado	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	2017	2	0	0	0	0	0	2
Connecticut	2018	2	6	0	0	0	0	8
	2019	8	0	0	0	0	0	8

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at the end of Year
	2017	0	0	0	0	0	0	0
Delaware	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
District of Columbia	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	26	0	0	0	0	0	26
Florida	2018	26	1	0	0	0	0	27
	2019	27	0	0	0	18	0	27
	2017	19	0	0	0	0	0	19
Georgia	2018	19	0	0	0	0	0	19
	2019	19	0	0	0	0	0	19
	2017	5	0	0	0	0	0	5
Hawaii	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
	2017	2	0	0	0	0	0	2
Idaho	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2017	12	0	0	0	0	0	12
Illinois	2018	12	0	0	0	0	0	12
	2019	12	0	0	0	0	0	12
	2017	3	0	0	0	0	0	3
Indiana	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	2017	0	0	0	0	0	0	0
Iowa	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Kansas	2018	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at the end of Year
	2019	0	0	0	0	0	0	0
	2017	1	0	0	0	0	0	1
Kentucky	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2017	0	0	0	0	0	0	0
Louisiana	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Massachusetts	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	15	0	0	0	0	5	10
Maryland	2018	10	0	0	0	0	0	10
	2019	10	0	0	0	0	0	10
	2017	5	0	0	0	0	0	5
Michigan	2018	5	0	0	0	0	3	2
	2019	2	0	0	0	0	0	2
	2017	13	0	0	0	0	0	13
Minnesota	2018	13	0	0	0	0	0	13
	2019	13	0	0	0	0	0	13
	2017	0	0	0	0	0	0	0
Mississippi	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	4	0	0	0	0	0	4
Missouri	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
	2017	0	0	0	0	0	0	0
Montana	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at the end of Year
Nebraska	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2017	6	0	0	0	0	0	6
Nevada	2018	6	0	0	0	0	0	6
	2019	6	0	0	0	0	0	6
	2017	0	0	0	0	0	0	0
New Hampshire	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	4	0	0	0	0	0	4
New Jersey	2018	4	0	0	0	0	0	4
	2019	4	1	0	0	0	0	5
	2017	3	0	0	0	0	0	3
New Mexico	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	2017	29	0	0	0	0	0	29
New York	2018	29	0	0	0	0	0	29
	2019	29	0	0	0	0	0	29
	2017	8	0	0	0	0	0	8
North Carolina	2018	8	0	0	0	0	0	8
	2019	8	0	0	0	0	0	8
	2017	0	0	0	0	0	0	0
North Dakota	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	8	0	0	0	0	0	8
Ohio	2018	8	0	0	0	0	4	4
	2019	4	0	0	0	0	0	4
	2017	4	0	0	0	0	0	4
Oklahoma	2018	4	0	0	0	0	0	4

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at the end of Year
	2019	4	0	0	0	0	0	4
	2017	8	0	0	0	0	0	8
Oregon	2018	8	0	0	0	0	0	8
	2019	8	0	0	0	0	0	8
	2017	18	0	0	0	0	0	18
Pennsylvania	2018	18	0	0	0	0	0	18
	2019	18	0	0	0	0	1	17
	2017	0	0	0	0	0	0	0
Rhode Island	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	3	0	0	0	0	0	3
South Carolina	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	2017	0	0	0	0	0	0	0
South Dakota	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	7	0	0	0	0	0	7
Tennessee	2018	7	0	0	0	0	0	7
	2019	7	0	0	0	0	0	7
	2017	42	0	0	0	0	0	42
Texas	2018	42	0	0	0	0	0	42
	2019	42	0	0	0	0	0	42
	2017	0	0	0	0	0	0	0
Utah	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Vermont	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	44	0	0	0	0	0	44

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at the end of Year
Virginia	2018	44	0	0	0	0	0	44
	2019	44	0	0	0	0	0	44
	2017	18	0	0	0	0	0	18
Washington	2018	18	0	0	0	0	2	16
	2019	16	0	0	0	0	0	16
	2017	0	0	0	0	0	0	0
West Virginia	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	4	0	0	0	0	0	4
Wisconsin	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
	2017	0	0	0	0	0	0	0
Wyoming	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	373	0	0	0	0	8	365
Totals	2018	365	7	0	0	0	5	367
	2019	367	1	0	0	0	1	367

In the list of franchises in this Table, we count each part of a territory containing 25,000 qualified households as one franchise, so that a franchise territory containing 100,000 qualified households would count as four franchises. Our standard territory size is one with 25,000 qualified households.

Table Number 4
STATUS OF COMPANY-OWNED BUSINESSES
FOR FISCAL YEARS 2017 TO 2019

State	Year	Outlets at the Start of Year	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Connecticut	2017	6	0	0	6
	2018	6	0	6	0
	2019	0	0	0	0
Florida	2017	0	0	0	0
	2018	0	0	0	0
	2019	0	0	0	18
Total	2017	6	0	0	6
	2018	6	0	6	0
	2019	0	0	0	18

TABLE NUMBER 5
PROJECTED OPENINGS IN 2020

State	Franchise Agreements Signed but Business not yet Operational	Projected New Franchisees in the Next Fiscal Year	Projected Company Owned Openings in Next Fiscal Year
California	0	1	0
Florida	2	1	0
New York	0	1	0
North Carolina	0	1	0
Ohio	0	1	0
Totals	2	5	0

The names of all franchisees and the addresses and telephone numbers of their franchises as of December 31, 2019, are listed as Exhibit E-1 to this Disclosure Document. A list of the names and last known home addresses and

telephone numbers of every franchisee whose franchise was terminated or canceled, or who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the fiscal year ended December 31, 2019, or who has not communicated with us within 10 weeks of the date of this Disclosure Document, is attached as Exhibit E-2. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. We have not, in the last three fiscal years, signed any confidentiality clauses with any former or current franchisees, which would have limited in any way their ability to speak openly about their experience in the Maid Brigade system.

We have sponsored two associations in which our Maid Brigade franchisees participate with our company representatives. One is our Franchise Advocate Council, and the contact person for that group is Paul Hay, at Four Concourse Parkway, Suite 200 Atlanta, Georgia 30328 (770) 551-9630. His email address is phay@maidbrigade.net. We also have an advertising council comprised of both franchisee and franchisor representatives. The contact for that group is Whitney Samuelson, at Four Concourse Parkway, Suite 200 (770)-551-9630, and her email address is wsamuelson@maidbrigade.net. There is no independent franchisee association in the Maid Brigade franchise system.

**ITEM 21
FINANCIAL STATEMENTS**

Attached to this Disclosure Document as Exhibit D are our audited financial statements for the fiscal years ended December 31, 2019, December 31, 2018, and December 31, 2017, including balance sheets, statements of earnings, stockholders' equity, and cash flows. Also included in Exhibit D are our interim unaudited financial statements as of February 28, 2020. With respect to the February 28, 2020 financial statements, THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM. Our fiscal year end is December 31.

**ITEM 22
CONTRACTS**

The following agreements are in use in your state for the franchise offering described in the Disclosure Document:

Agreement	Exhibit to This Disclosure Document
Franchise Agreement with State Law Addendum	Exhibit B
Corporate Assignment Agreement	Exhibit C
Statement of Prospective Franchisees	Exhibit F

**ITEM 23
RECEIPT**

The last 2 pages of this Disclosure Document are a detachable document acknowledging that you received this Disclosure Document. You are required to sign each Receipt. If you are missing these Receipts, please contact us at this address or telephone number: Maid Brigade, Inc.

Four Concourse Parkway, Suite 200

Atlanta, Georgia 30328

(770) 551-9630

ADDENDUM A TO
MAID BRIGADE, INC.
DISCLOSURE DOCUMENT

STATE REGULATIONS AND REQUIREMENTS

The following information supplements our Disclosure Document and supersedes any conflicting information contained in the main body of the Disclosure Document:

FOR RESIDENTS OF THE STATE OF CALIFORNIA

CALIFORNIA CORPORATIONS CODE SECTION 31125 REQUIRES THAT THE FRANCHISOR GIVE THE FRANCHISEE A DISCLOSURE DOCUMENT APPROVED BY THE DEPARTMENT OF BUSINESS OVERSIGHT PRIOR TO A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement provides for termination on bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.).

The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the Franchise. This provision may not be enforceable under California law.

The Franchise Agreement requires application of the laws of the State of Georgia. This provision may not be enforceable under California law.

In addition to the information contained in Item 3 of the Disclosure Document, neither the Franchisor or any person identified in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

Registration of this franchise in the state of California does not constitute approval, recommendation, or endorsement by the Commissioner of Business Oversight.

California Corporations Code, Section 31125 requires us to give you a disclosure document approved by the Department of Business Oversight prior to solicitation of a proposed material modification of an existing franchise.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination or non-renewal of the Franchised Business. If the Franchise Agreement is inconsistent with the law, the law will control.

The Franchise Agreement requires you to execute a general release of claims on renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order under this Agreement is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000-31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000-20043).

The financial performance representations in Item 19 of the Franchise Disclosure Document do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating the franchised business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

In accordance with CCR § 310.156.3(a)(3), the Franchisor's URL address is www.Maidbrigade.com. "OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT, ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www.dbo.ca.gov.

FOR RESIDENTS OF THE STATE OF ILLINOIS

The conditions under which your franchise can be terminated and your rights upon non-renewal may be affected by Illinois Law, ILCS 705/19 and 705/20.

Section 41 of the Illinois Franchise Disclosure Act provides states that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

FOR RESIDENTS OF THE STATE OF INDIANA

The release described in Section 1.2 of the Franchise Agreement will exclude liabilities under Indiana Code Section 23-2-2.7.

FOR RESIDENTS OF THE STATE OF MARYLAND

Notwithstanding any provisions in the Franchise Agreement to the contrary, any claims arising out of the Maryland Franchise Registration and Disclosure Law may be brought within the State of Maryland.

Pursuant to COMAR 02.02.08.16L of the Maryland Franchise Registration and Disclosure Law, a general release required as a condition to renewal, sale, and/or assignment/transfer of a franchise shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Any claim arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise. No provision in the Franchise Agreement shall have the effect of reducing the three year period provided under the Maryland statute.

No release, or waiver of liability by a franchisee as a requirement to purchase a franchise shall constitute a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

This Appendix amends the disclosures set out in Item 17 of the Disclosure Document, with respect to franchisees in Maryland.

FOR RESIDENTS OF THE STATE OF MINNESOTA

Minn. Stat§ 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. 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 any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat § 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days for notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release. The provisions in the franchise agreement calling for such a release in connection with either a renewal or a transfer of the franchise agreement will not be enforced with respect to franchises governed by Minnesota law.

FOR RESIDENTS OF THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document: INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3: Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark: A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations. B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size,

nature or financial condition of the franchise system or its business operations. C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations. D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4: Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5: The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer": However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee": You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "Assignment of contract by franchisor": However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum", and Item 17(w), titled "Choice of law": The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

Washington State Law Appendix

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 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 or rights of 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.

EXHIBIT A

THE MAID BRIGADE, INC. DISCLOSURE DOCUMENT

**LIST OF STATE ADMINISTRATORS
AND
AGENTS AUTHORIZED TO RECEIVE
SERVICE OF PROCESS**

State Administrators

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, the following are the state administrators responsible for the review, registration, and oversight of franchises in that state:

<u>California</u>	Department of Business Oversight 320 West 4th Street Suite 750 Los Angeles, CA 90013-1105 (213) 576-7500, also 1-866 ASK-CORP (1-866-275-2677)
<u>Hawaii</u>	Director of Commerce and Consumer Affairs 335 Merchant Street, Suite 203 Honolulu, HI 96813 (808) 586-2722
<u>Illinois</u>	Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, IL 62706 (217) 782-4465
<u>Indiana</u>	Indiana Secretary of State Indiana Securities Division/Franchise Section 302 W. Washington Street, Room E-111 Indianapolis, IN 46204 (317) 232-6681
<u>Maryland</u>	Office of the Attorney General Maryland Division of Securities 200 St. Paul Street Baltimore, MD 21202-2020 (410) 576-6360
<u>Michigan</u>	Michigan Department of the Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117
<u>Minnesota</u>	Minnesota Department of Commerce Registration and Licensing Division 85 7 th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1500

New York

Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8236 Phone
(212) 416-6042 (fax)

North Dakota

Office of Securities Commissioner
600 East Boulevard, 5th Floor
Bismarck, ND 58505
(701) 328-4712

Rhode Island

Department of Business Regulation
Division of Securities
233 Richmond Street, Suite 232
Providence, RI 02903-4232
(401) 277-3048

South Dakota

South Dakota Department of Commerce and Consumer Regulation
Division of Securities
c/o 118 West Capitol
Pierre, SD 57501
(605) 773-4013

Virginia State Corporation Commission

Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219
(804) 371-9051

Washington

Department of Financial Institutions
Securities Division
150 Israel Rd SW
Tumwater, Washington 98501
(360) 902-8760

Wisconsin

Wisconsin Securities Commission
Securities and Franchise Registration
101 East Wilson Street
Madison, WI 53703
(608) 266-3431

Agents Authorized to Receive Service of Process

Our agent in Georgia is: John Barton Puett
Four Concourse Parkway, Suite 200
Atlanta, Georgia 30328

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 agent for service of process in those states:

California California Commissioner of Business Oversight
California Department of Business Oversight
320 West 4th Street, Suite 750
Los Angeles, California 90013-1105

Hawaii Director of Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 203
Honolulu, Hawaii 96813

Illinois Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

Indiana Secretary of State of Indiana
201 Statehouse
200 West Washington Street
Indianapolis, Indiana 46204

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

Michigan Michigan Department of Commerce
Corporation and Securities Bureau
6546 Mercantile Way
Lansing, Michigan 48910

Minnesota Commissioner of Commerce of Minnesota
Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101

New York New York Secretary of State
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001

(518) 473-2492

North Dakota

North Dakota Securities Commissioner
State Capitol
Bismarck, North Dakota 58505

Rhode Island

Director of Department of Business Regulation
233 Richmond Street
Suite 232
Providence, Rhode Island 02903-4232

South Dakota

Director, Division of Securities
Department of Commerce and Regulation
118 West Capitol Avenue
Pierre, South Dakota 57501-2017

Virginia

Clerk of the State Corporation Commission
1300 East Main Street
Richmond, Virginia 23219

Washington

Washington Department of Financial Institutions
150 Israel Rd SW
Tumwater, Washington 98501

Wisconsin

Wisconsin Commissioner of Securities
101 East Wilson Street
Fourth Floor
Madison, Wisconsin 53701

EXHIBIT B

THE MAID BRIGADE, INC. DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

BETWEEN

MAID BRIGADE, INC.

AND

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SCHEDULES

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MAID BRIGADE, INC.

MAID BRIGADE® FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into as of the ____ day of _____, 202__ (the "Effective Date"), by and between MAID BRIGADE, INC., a Delaware corporation with its principal place of business at Four Concourse Parkway, Suite 200, Atlanta, Georgia 30328 ("we," "us," or the "Company") and _____, whose principal address is shown on Schedule A to this Agreement ("you").

WITNESSETH:

WHEREAS, we have certain rights to, and have registered in certain jurisdictions, the service mark "Maid Brigade" and the trademarks, service marks, trade names, logotypes, commercial symbols, and styles related thereto (collectively, the "Marks"); and

WHEREAS, we offer franchises an exclusive territory. Our standard territory includes 25,000 Qualified Households.

WHEREAS, we have developed a business plan and methodology for the establishment, operation, and promotion of a business that offers light cleaning services under our Confidential Operations Manual, training, standards, specifications, confidential information, procedures, materials, Marks, and MicroMaid and Total Management Software Solution software, all of which is subject to change, improvement, and further development from time to time (collectively, the "System"); and

WHEREAS, you desire to establish a household and light commercial cleaning business using our System, including the Marks, Manuals, and MicroMaid and Total Management Software Solution software, and have applied to us for such a right; and

WHEREAS, we desire to grant you such a right, under the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained herein, and for other valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, you and we agree as follows:

1. GRANT AND RENEWAL OF FRANCHISE

1.1 Grant of Franchise. Subject to all the terms and conditions of this Agreement, we hereby grant you, and you hereby accept, the franchise and right (hereinafter the "Franchise") to open and operate a business using the System (the "Franchised Business") within the area (the "Operating Territory") described in Schedule A attached to this Agreement, for a term of ten (10) years (the "Term"), commencing on the Effective Date of this Agreement.

1.2 Renewal of Franchise. You may renew the Franchise without payment of our then-existing Initial Franchise Fee, provided:

(a) You deliver written notice to us of your intention to renew, less than nine (9) months but more than six (6) months before the end of the Term;

(b) You have been in full compliance with this Agreement during the Term, and you remain in full compliance with this Agreement at the end of the Term;

(c) You execute our then-current standard franchise agreement, which may contain terms that differ significantly from the terms of this Agreement; which differences may include, without limitation, different provisions regarding Royalty Fees, Advertising Fees, Local Advertising Requirements, sales quotas, and the length of the Term;

(d) You pay our costs of renewing the Franchise, which costs will include, without limitation, administrative expenses and reasonable attorneys' fees we incur related to preparing all documents related to renewal; and

(e) You execute a general release, in a form we prepare at our sole cost and expense, of any and all claims against us and our affiliates, directors, officers, and employees.

For the purposes of this Section 1.2, you will be deemed to have irrevocably declined to renew the Franchise and the foregoing option will automatically terminate, if you fail to execute and deliver to us all documents required for such renewal, including the then-current franchise agreement and the general release, within thirty (30) days after we deliver them to you for signature.

1.3 Effect of Termination. Termination or expiration of this Agreement will constitute a termination or expiration of the Franchise and will require immediate cessation of the Franchised Business.

2. EXCLUSIVITY OF OPERATING TERRITORY

Maid Brigade will not operate ourselves, nor enfranchise others to operate, a business substantially similar to the Franchised Business within the Operating Territory. Except as expressly limited above, we retain all rights to the System, including the Marks; including, without limitation, the right to operate or grant Franchises at locations and on such terms and conditions as we may deem appropriate and the right to develop, market, and sell any product or service or own or operate any other business under the Marks.

With written permission from Maid Brigade, you may be approved to provide the services licensed by this Franchise Agreement to locations outside of the Operating Territory, provided that the location does not fall within the operating territory of any other Maid Brigade franchisee, or within an exclusive territory of any Maid Brigade business operated by us or any of our affiliates and is reasonably contiguous to your own Operating Territory. If the location falls within an operating territory of another franchisee or of ours, you may provide services at that location only after receiving the express prior written consent of both the other franchisee and from us, which consent may be revoked at any time by either of such consenting parties. If you are servicing a location outside of the Operating Territory and not within the operating territory of another franchisee, but the area in which that location is situated is later included in the Operating Territory under a franchise granted to another franchisee, you will immediately upon receipt of notice of such event, and at our discretion, cooperate with the new franchisee in transferring the account over to the new franchisee, with no financial benefit accruing to you. If the Operating Territory hereunder contains customers that are being serviced by another franchisee, these customers will be

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turned over to you if and when we determine it is appropriate. The transfer is at the sole discretion of us and these rights may be revoked if we determine you fail to maintain these accounts to Maid Brigade standards.

You may not actively market or otherwise solicit business outside of the Operating Territory. The only exception to this rule is that if you advertise using broader based marketing vehicles, such as Co-Op Mailers, i.e. Val Pak, and internet based marketing, i.e. Pay Per Click, and these marketing vehicles overlap into areas outside of the Operating Territory, which have pre-determined mailing areas that include both areas within and outside of the Operating Territory.

If you violate these rules and service customers, paying or non-paying, in another franchisee's operating territory, you will be in default of this Franchise Agreement. In order to cure that breach, you will be required to pay to Maid Brigade the total value of all cleaning performed, as determined by Maid Brigade, along with an additional payment of up to 20% of that amount, as a cure. In addition, you will have to immediately cease servicing the account(s) in question.

Franchisee Territories of more than 30,000 Qualified Households are required to generate a minimum of \$6 per each owned Qualified Household on an annual basis. If you have at least that number of Qualified Households in your Operating Territory and you fail to meet the \$6 per QHH annual minimum for three consecutive years, then we have the right to take back QHH's and place them in our open and available inventory. This is mandatory for all franchisees after their second full year in business. Failure to achieve the minimum amount of sales is also grounds for termination of your agreement. It is further agreed, however, that if you have given notice to us of your desire to renew the Franchise Agreement or transfer the Franchise Agreement and the franchised business, and you have not met this requirement, if we choose to permit the renewal or transfer, we will waive this provision for the renewal term or transferee, as applicable.

3. COMMENCEMENT OF BUSINESS

You may commence the Franchised Business only after you successfully complete our Pre-Opening Training and New Franchisee Training (see Section 4, below) and only if you are then in full compliance with the terms and conditions of this Agreement. You will establish a commercial business premises for the Franchised Business within the Operating Territory at a location you and we agree on. Your office premises must have outdoor signage to include the official Maid Brigade logo. Your parking lot, office entry way and front door should have a tidy and professional appearance at all times, free of trash and other debris. You will commence the Franchised Business as soon as possible after the date of this Agreement, but in any event not later than ninety (90) days after you complete our Pre-Opening Training and New Franchisee Training.

4. TRAINING AND OPERATING ASSISTANCE

4.1 Training. Before you begin your operation of the Franchised Business, we will furnish our New Franchisee Training involving the operation of a Maid Brigade Franchise. We will conduct the Pre-Opening Training through our private website and our Confidential Operations Manual. We will conduct the New Franchisee Training virtually. We will not charge you any additional fee for Pre-Opening Training or New Franchisee Training. You will travel to an existing Maid Brigade franchise location to participate in the practices and procedures of operating one of our businesses. You will be responsible for the expenses you and your attendees incur in connection with attending the Training including, without limitation, transportation, food, lodging, salary costs, and benefit costs.

4.2 Completion of Training Program/Termination. You must complete the Pre-Opening Training, New Franchisee training, or as we may designate from time to time, to our reasonable satisfaction before you begin your operation of the Franchised Business. If, for any reason, you fail to satisfactorily prepare for or honor your training program obligations, you may be responsible for any additional expenses that may be incurred by our Trainer or Training Department.

4.3 Hiring and Training of Employees. Unless trained by us or otherwise agreed to by us, you will hire, and train at your expense, all management employees of the Franchised Business. You will be solely responsible for the terms of employment and compensation of all employees you employ. You will perform a background check on every applicant you desire to employ. You will not employ anyone: (i) whose background check suggests that such person does not adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct; or (ii) who refuses or fails to complete satisfactorily the training program you or we, as the case may be, conduct. All your employees charged with management responsibility for the day-to-day operations of the Franchised Business must either be trained by us pursuant to Section 4.1 above or otherwise trained by you to our satisfaction. We must consent to the employment of all such management personnel in writing before they assume any such management responsibility, and all such management personnel must execute a non-disclosure/non-compete agreement we create that requires such personnel to maintain the confidential nature of our trade secrets, confidential and proprietary information, and the System, including the Manuals, during the term of their employment and thereafter. You must inform us in writing immediately on the termination of employment of any management personnel.

You will place sufficient employment advertising, in amounts and media as deemed appropriate by us for the Operating Territory. The amount required to be spent will be at our discretion, but will generally be a nominal charge.

From time to time we offer additional training programs for you and/or your staff. Attendance is voluntary. Fees and expenses for attendance is your responsibility.

4.4 Operating Assistance. At no additional cost to you, we will furnish you with such advice and assistance in connection with the operation of the Franchised Business as we deem necessary in our exercise of Reasonable Business Judgment, as defined in Section 18.21 of this Agreement. Operating assistance may consist of advice and guidance with respect to:

(a) Methods and procedures for the purchase and use of equipment, materials, forms, displays, supplies, and other items you need to conduct the Franchised Business;

(b) Such additional services and products as we may approve, from time to time, to be offered through the Franchised Business;

(c) Formulating and implementing advertising and promotional programs using such merchandising, marketing, and advertising research, data, and advice as we may develop from time to time and deem to be helpful in the operation of the Franchised Business;

(d) The establishment and implementation of administration, bookkeeping, accounting, and general operating procedures for the proper operation of the Franchised Business;

(e) The operation of all equipment, machinery, and vehicles used in connection with the Franchised Business; or

(f) Additional advice regarding your use of the System.

In addition, we will provide you with the following assistance:

(g) Blastoff Training, on dates and at times you and we mutually agree on. To deliver the Blastoff Training, our employee will travel, at our expense, to the Operating Territory to provide you with additional training and assistance in the establishment and operation of the Franchised Business. Our Blastoff training and assistance will cover the following areas: (i) assistance with the hiring of your first team of maids; (ii) establishing training programs that you may use to train your employees, representatives, and agents; (iii) in-house sales presentations; (iv) telephone procedures and daily office operations; (v) the MicroMaid software; and (vi) review;

(h) During the first year of business your advertising plan must be approved by the franchisor. We will assist you in fulfilling your obligations under Section 10.2 of this Agreement regarding the Local Advertising Requirement by directing your local advertising and promotional activities.. Nothing herein is intended to relieve you of your obligation under Section 10.2 of this Agreement; and

(i) Provide you with toll-free telephone support in different aspects of operating the Franchised Business.

4.5 Confidential Operations Manual. In order to protect the reputation and goodwill associated with the System, the Marks, and other Maid Brigade franchises, you will conduct and operate the Franchised Business in accordance with the terms of this Agreement, our Confidential Operations Manual, our other Manuals, written directives we issue from time to time whether or not made a part of a particular Manual, and other materials we approve for use in operating the Franchised Business. The Manuals will contain mandatory specifications, standards, and operating procedures we prescribe from time to time for all Maid Brigade franchises and information related to your other obligations under this Agreement and to the operation of the Franchised Business. We will have the right to add to and otherwise modify any Manual from time to time to reflect changes in the System, including the Marks, authorized services, or the operation of the Franchised Business, or to issue written directives that will accomplish the same purpose. All such specifications, standards, and operating procedures will be reasonable and consistent herewith and with your obligations under applicable law. Specifications, standards, and operating procedures we prescribe from time to time in the Manuals or otherwise communicated to you in writing will constitute provisions of this Agreement as if fully set forth herein. Said changes will be made to the Manual via the Internet on the Maid Brigade Private Web site. If you choose to refer to printed copies of the Manuals, it will be your responsibility to print and keep the Manuals up-to-date with replacement pages and insertions as we instruct. You will hold the Manuals and any other written directives or materials of ours in trust and as our confidential and proprietary information, and you will use all reasonable efforts to protect such confidentiality. You will not at any time copy, duplicate, or reproduce any Manual or other directive (the "Items") and not distribute, disseminate, transfer, or otherwise make such Items available to any unauthorized person. You will return all printed copies of the Manuals, and all other Items, to us at the end of the Term or immediately on termination of the Franchise or this Agreement for any reason. All such Items, including the Manuals, will at all times remain our sole property and will at all times be kept and maintained in a secure place on the business premises. We may publish the Confidential Operations Manual and any other Item electronically

on line, on disk, or on some other medium, and you will be bound by this Agreement as to such Items to the same extent as if such Items were a printed paper copy.

4.6 Group Purchasing. You will have the right to participate in group purchasing programs for all products, materials, equipment, insurance, and supplies that we may from time to time use, develop, sponsor, or provide, on the same basis as other Maid Brigade franchises and Company-owned businesses we operate.

4.7 Initial Inventory. We will sell you, and you will purchase from us, your initial package of materials (your "Initial Package"). The Initial Package will consist of a reasonable supply of approved printed materials, the proprietary software, business cards, Maid Brigade uniforms, the Manuals, and cleaning supplies and equipment.

4.8 Maid Brigade Total Management Software and Other Proprietary Technology Resources. We hereby grant you a nonexclusive, nontransferable, non-assignable, limited license to use our software, MicroMaid, which is part of our Total Management Software Solution (the "Software") subject to the following terms and conditions:

(a) You will use the Software on a computer (CPU) system that: (i) meets our computer hardware specifications; and (ii) is located at your principal place of business, or on a backup system if the original computer system is inoperable. You are licensed to use the Software only for internal, in-house data processing and data communications purposes and only in connection with the Franchised Business, and not for remarketing or redistribution under any circumstances.

(b) You acknowledge and agree that we are the sole and exclusive owner of all right, title, and interest in and to the Software, including all trade secrets and copyrights related to the Software, subject only to the rights we expressly license to you in this Agreement. This license does not provide you with title or ownership of the Software, but only a limited right of use. You agree that you will not contest or otherwise seek to share, diminish, or invalidate our ownership rights in the Software.

(c) You will not modify the Software in any way without our prior written consent. You will promptly disclose to us all ideas and suggestions for modifications or enhancements to the Software that you conceive or develop, and we will have the right to use such ideas and suggestions. All modifications or enhancements made to the Software will be our property and belong exclusively to us, without regard to the source or creator of the modification or enhancement.

(d) We will have the right at all times to access the Software and to retrieve, analyze, and use all data in the files stored on the Software. Additionally, you will electronically transfer all files and reports to us on our request.

(e) You and your employees will not make available the Software, or portions thereof, to any person other than your or our employees without our prior written consent. You agree that you will not: (i) copy the Software except as necessary for use under this license; (ii) translate, reverse engineer, reverse compile, disassemble, or create derivative works based on the Software; or (iii) sublicense, rent, lease, sell, or otherwise transfer the Software, or any portion thereof, or any rights therein, to any person or entity.

(f) You acknowledge and agree that the Software is our valuable, proprietary product, the design and development of which took the investment of considerable time and money and the effort of skilled computer programmers. You will keep the Software and any data generated by the use of the Software confidential during and after the term of this Agreement, and will maintain security precautions to maintain the secrecy of the Software and to prevent unauthorized access or use of the Software. You agree that we treat the Software as confidential and that the Software contains substantial trade secrets of ours that we have entrusted to you in confidence to use only as we authorize under this license. We claim and reserve all rights and benefits afforded under copyright law, patent law, intellectual property law, and other laws relating to confidential and proprietary material. You agree not to improperly use, disseminate, or disclose the Software, and to ensure that your employees who gain access to the Software will protect the Software against improper use, dissemination, or disclosure.

(g) **THE SOFTWARE IS PROVIDED ON AN "AS-IS" BASIS WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. ALL WARRANTIES AGAINST INFRINGEMENT ARE HEREBY DISCLAIMED EXCEPT WE REPRESENT THAT WE HAVE SUFFICIENT AUTHORIZATION TO LICENSE THE SOFTWARE TO YOU. WE DO NOT WARRANT THAT THE FUNCTIONS CONTAINED IN THE SOFTWARE MEET YOUR REQUIREMENTS OR THAT THE USE OF THE SOFTWARE WILL BE UNINTERRUPTED OR ERROR FREE.** In no event will we be liable to you for any damages, including any lost profits, lost savings, or other incidental or consequential damages, relating to the use of or inability to use the Software, even if we have been advised of the possibility of such damages, or for any claim by any other party. The foregoing limitations of liability are intended to apply without regard to whether other provisions of this Agreement have been breached or proven ineffective.

(h) You acknowledge and agree that your license to the Software will terminate immediately should you fail to adhere to any of your obligations under this license or if this Agreement expires or is terminated for any reason.

(i) You acknowledge and agree that any violation by you of the provisions of this license would cause us irreparable harm for which we would have no adequate remedy at law; and that, in addition to other remedies which may be available to us, we will be entitled to seek injunctive relief against any such violation.

(j) In the event you fail to adhere to any of your obligations under this license, or are no longer a franchisee of ours, or this Agreement expires or terminates for any reason, you will immediately (within five (5) days) return the Software to us and destroy any and all material or information related to the Software or any data generated by use of the Software unless we specifically instruct otherwise.

(k) Provided you pay a weekly technology service fee currently set at \$18.00, which fee you hereby agree to pay in accordance with our policies and procedures, we will provide you with services for the Software including, as we deem necessary, but not limited to, development, upgrades, support, error corrections and operational assistance.

(l) The MicroMaid software is flat fee based subscription and requires all Franchisees utilizing it to pay a fee per location. The current amount of the fee is \$25 per week.

We reserve the right to change the weekly technology service fee and MicroMaid software subscription fee at our discretion.

(m) You will update the software upon request of the franchisor to optimize performance.

4.9 **Maid Brigade Annual Convention.** We hold an annual convention and we view this convention as a time for franchisees to receive additional training and support that will be valuable in keeping up with the current standards of Maid Brigade and staying in compliance with our Standards of Operation. The registration fee varies, but must be paid to us each year. Attendance at our annual convention is mandatory.

5. OPERATING STANDARDS AND SERVICES

5.1 **Services.** You will offer to the public a complete, professional residential and light commercial cleaning service that will include all services, and only those services, we authorize and modify from time to time.

5.2 **Supplies and Materials.** You will use only equipment, supplies, materials, uniforms, and forms we specify or approve as meeting our standards and specifications. If you propose to use any item or supplier that we have not specified or approved, you will notify us and will submit to us, on our request, sufficient specifications, photographs, and other information or samples for examination and testing to permit us to determine whether such item or supplier meets our standards and specifications, which determination we will make reasonably and in good faith and communicate to you within a reasonable time after such determination. We will not charge you any fee for reasonable examination or testing you request that we perform.

5.3 **Use of Materials Imprinted with Names and Marks.** You agree that the proper display of the Marks is important to the public recognition of the System and, as a result, to the growth of the Franchised Business and the franchised businesses of our other franchises. As a result, you agree that you will use, whenever reasonably practicable, only bags, cleaners, mops, brooms, brushes, wrappers, containers, uniforms, packaging, sales slips, receipts, notices, and other forms and materials imprinted with the Marks.

5.4 **Standards of Service.** You and your employees will at all times give prompt, courteous, and efficient service to customers of the Franchised Business. In all dealings with customers, suppliers, and the public, you and your employees will adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct. All your advertising and promotion of the Franchised Business and its services will be in strict compliance with the standards we establish, will be completely factual, and will conform to the highest standards of ethical advertising. You agree to refrain from any business or advertising practice that may be injurious to the goodwill associated with other Maid Brigade franchises or the System, including the Marks. You agree that you will not deviate from the standards we set for the operation of the Franchised Business. You agree to perform “in-home confirmations” for all prospective customers as outlined in our Confidential Operations Manual. You will guarantee your services and will respond promptly to all inquiries and complaints in order to achieve customer satisfaction and, if necessary, will reclean the customer’s home or office or provide a partial or complete refund to the customer. If in our Reasonable Business Judgment it is necessary to take action to resolve a customer complaint, we may enter on the customer’s premises to inspect or correct your work or offer a reasonable

settlement, and you will pay our cost of doing so promptly on our request. If a customer refuses to do business with your Maid Brigade office because of poor customer service and in our Reasonable Business Judgment there is another Maid Brigade office that can meet the needs of this customer, you agree to allow another Maid Brigade office, of our choosing, to continue to service and receive payment from this customer in the “exclusive” Operating Territory. You acknowledge that it may be necessary or desirable to change or modify the System and the methods and procedures you use to conduct the Franchised Business, and on notice from us, you will promptly implement such changes and modifications at your cost. You agree to comply with all of our specifications, standards, and operating procedures related to the operation of the Franchised Business; including, without limitation, specifications, standards, and operating procedures related to:

- (a) The selling process and methods including in-home confirmations;
- (b) The delivery of approved house and office cleaning services;
- (c) The safety, maintenance, cleanliness, function, and appearance of your vehicles, equipment, accessories, and signs;
- (d) The uniforms or clothes to be worn by, and general appearance of, you and your employees;
- (e) The use of the Marks;
- (f) The hours that you will conduct the Franchised Business, subject to local laws and market conditions;
- (g) Your use of signs, posters, displays, brochures, flyers, forms, and similar items; and
- (h) Your identification of yourself as the owner of the Franchised Business and a licensed user of the Marks.

You further agree, as additional customer service programs, to:

- (i) Contact each of the customers either by telephone or in person at least three (3) times per twelve (12) month period for the purpose of surveying such customers as to their satisfaction with your services, the Maid Brigade System generally, recommended areas for improvement or service enhancement, and such other topics as we may require.

5.5 Pricing. We may from time to time offer you advice or guidance concerning suggested prices you may wish to charge that we reasonably believe would constitute a good business practice for you. You will not be obligated to accept any such advice or guidance and will have the sole right to determine the prices you charge. No such advice or guidance will be deemed or construed to impose on you any obligation to charge any fixed, minimum, or maximum price for any product or service. Such advice or guidance concerning suggested prices may be contained in the order forms or packing slips that accompany products you purchase from us or in instructional material, the Confidential Operations Manual, or advertisements we prepare or arrange.

5.6 Management/Conflicting and Competing Interests. You will directly manage the Franchised Business at all times, except for minor, temporary absences and reasonable vacations, in which

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case fully-trained management personnel will directly manage the Franchised Business at all times. You agree that you will at all times faithfully and diligently perform your obligations hereunder, that you will continuously devote your full-time attention, energy, and best efforts to promote and enhance the Franchised Business, and you will not engage in any business or other activity that will conflict with your obligations hereunder. You acknowledge that the operation of the Franchised Business is a full-time occupation and, therefore, you agree that you will not, during the Term of this Agreement, without our written approval, have any interest as an owner (except of publicly traded securities), lender, director, officer, employee, consultant, representative, or agent, or in any other capacity, in any other business that is similar to the Franchised Business, except other Maid Brigade franchises, in the state(s) in which the Operating Territory is located, or in states that border such state(s). Without limiting the foregoing, you agree that during the term of the Franchise Agreement, you will not provide consulting services to any residential cleaning business located within 100 miles of any Maid Brigade franchised territory.

5.7 Vehicles for All Business Transportation. You will supply motor vehicles to your employees for use related to the Franchised Business, such vehicles will be clean, relatively new motor vehicles, of a type and color, and bearing the company automobile wrap signs, we specify in the Confidential Operations Manual. Your Maid Brigade vehicles should have a professional appearance at all times. Your vehicles are not only a mode of transportation but a form of advertising for your business. Vehicles should be washed regularly and body damage should be repaired in a timely manner. You may enter into a lease agreement whereby you lease your vehicles from an approved vendor. We require that you utilize our car “wraps”, which display our logo and other information, as we may specify from time to time. Our vendors may install the wrap on the vehicles and include the cost in the purchase or lease price.

5.8 Computer Requirements. You will be required to maintain your computer systems to meet our minimum computer specifications.

5.9 Compliance with laws/Credit Cards. You agree to comply with all laws applicable to the operation of the franchised business, including, without limitation, all wage and hour laws, labor department, workers compensation and unemployment laws and rules. In addition, with respect to all credit card transactions and the customer information obtained through credit card usage, you agree to diligently comply with all statutes and rules regarding such usage and you will protect the privacy of the credit card customers. You agree that your obligations to indemnify us under Section 17.2 below includes any claims arising out of your failure to perform your obligations set out in this Section 5.8.

6. INSURANCE AND EMPLOYEE BOND

6.1 Insurance. You will procure, and maintain in full force and effect throughout the Term, the following insurance:

(a) Insurance on the generally accepted “all risk” form insuring all personal property, leasehold improvements, and assets of every description and kind you use in the Franchised Business, for the full insurable value thereof;

(b) Commercial general liability insurance with a limit of not less than \$500,000 per occurrence (combined single limit for bodily injury and property damage) for premises/operations, products/completed operations, and contractual liability, and deletion of the standard “care, custody and

control” exclusion, with respect to the activities you and any employee or other person performing work on your behalf conducts;

(c) Automobile liability insurance with limits of not less than \$500,000 per accident for all owned, hired, and non-owned vehicles you, your employees, or any other person performing work on your behalf operate; and

(d) Workers’ compensation insurance as required by state law, and employers’ liability insurance with limits of not less than \$100,000 per person.

All such insurance policies will be written by responsible insurers licensed to conduct business in the Operating Territory, will name us as an additional insured, and will provide that we receive thirty (30) days’ written notice prior to termination, expiration, or cancellation. At least ten (10) days before you begin operation of the Franchised Business, and annually thereafter, you will submit to us a copy or certificate or other acceptable proof of such insurance. During the Term, we may increase the minimum insurance limits from time to time and require different or additional kinds of insurance to reflect changes in insurance standards, normal business practices, court awards, and other relevant circumstances. If you at any time fail or refuse to maintain in effect any insurance coverage required by this Agreement, we may, at our option and in addition to our other rights and remedies under this Agreement, obtain such insurance coverage on your behalf, and you will promptly execute any applications or other forms or instruments required to obtain any such insurance and, on demand, reimburse us for any and all costs or expenses we incur and premiums we pay related to such insurance.

6.2 Employee Bond. You will procure, and maintain in full force and effect throughout the Term, a blanket fidelity bond satisfactory to us in the amount of Ten Thousand Dollars (\$10,000) on each of your employees and will send us a copy of such bond. This bond must provide that we be given thirty (30) days’ written notice prior to termination, cancellation, or expiration.

7. PROPRIETARY INFORMATION

7.1 Trade Secrets. You acknowledge that your knowledge of the operation of the Franchised Business and the particulars of the System is derived solely from information we disclose to you pursuant to this Agreement, the Maid Brigade training programs, the Manuals, and otherwise in connection with your use of the System and Software (the “Confidential Information”). You acknowledge and agree that the Confidential Information is a valuable asset of ours, is proprietary, includes trade secrets, and is disclosed to you solely to benefit the Franchised Business. You agree that you will not use the Confidential Information in connection with any other business and to maintain its secrecy and confidentiality during the Term and thereafter. In addition, you agree not to copy, reproduce, disseminate, or otherwise disclose the Confidential Information except with our written consent, or to your employees to the extent necessary for them to operate the Franchised Business, and will take all necessary action to prevent the unauthorized use of, or access to, the Confidential Information. Finally, you agree that you acquire no interest in the Confidential Information other than the right to use it in the operation of the Franchised Business.

7.2 Customer Names. You agree that any and all customer lists, and their contents, are our property whether supplied by us or not. You agree that you will not use the customer lists for any purpose other than in relation to the Franchised Business. You will, on demand, promptly deliver to us a complete

list of customers including all information we may request related to such customers. You acknowledge that you may be required to provide the list via electronic transfer or computer disk.

8. INITIAL FRANCHISE FEE, TERRITORY FEE AND INITIAL PACKAGE

8.1 Initial Franchise Fee . You will pay us, in full, on the delivery of this Agreement, a non-recurring initial franchise fee (the “Initial Franchise Fee”) of Thirty Five Thousand dollars (\$35,000) for a standard territory which includes 30,000 Qualified Households. The Initial Franchise Fee is fully-earned when you pay it and is non-refundable, except as set forth in Section 14.2 of this Agreement. If your territory includes more than 30,000 qualified households, your Initial Franchise Fee increases by \$1 for each additional qualified household. The amount of your Initial Franchise Fee are set forth in Schedule A to this Agreement.

8.2 Initial Package. You will purchase from us and pay us in full for, on the delivery of this Agreement, the Initial Package described in Section 4.7 of this Agreement. The cost of the Initial Package is \$3,700. The fee for the Initial Package is fully-earned when you pay it and is non-refundable.

9. ROYALTY

9.1 Amount, calculation and payment of Royalty. You will pay us weekly, a fee (the “Royalty and Service Fee”) equal to the greater of: (i) a percentage of the weekly Gross Revenue; or (ii) the weekly minimum fee specified below (the “Weekly Minimum Fee”). The calculation to determine the amount of the weekly Royalty and Service Fee, is based on the cumulative total of each range of weekly revenue and corresponding percentage.

For the Part of the Annualized Amount of The Weekly Gross Revenue That Is:	The Royalty and Service Fee Percentage for the Week Is:
From \$0 to \$5,769	6.9%
Plus from \$5,770 to \$13,462	6.0%
Plus from \$13,463 to \$17,308	5.0%
Plus from \$17,309 to \$28,846	4.5%
Plus, from \$28,847 to \$38,462	4%
Plus, from \$38,463 to \$999,999	3.5%

For example, If Gross Revenue for a particular week is \$13,462, Royalty would be calculated as follows:

\$5,769 times 6.9% = \$398.06 (\$ 5769 minus \$0 = \$5769)

\$7,693 times 6.0% = \$461.58 (\$13,462 minus \$5,770 = \$7693)

 \$13,462 \$859.64

You agree that on each anniversary of the execution of this Agreement, we may adjust the Gross Revenue figures set forth in the table, in our Reasonable Business Judgment, based on the increase, if any, in the “Metropolitan Area Consumer Price Index for All Urban Consumers — All Items,” published by the United States Department of Labor, Bureau of Labor Statistics or successor index, in each case measured as of the first day of the month preceding the anniversary date of this Agreement as compared to the first day of the month preceding the date of this Agreement or the first day of the month preceding the previous anniversary date of this Agreement, as the case may be.

The Weekly Minimum Royalty will be based on size of the territory you purchase and the number of weeks after your Blastoff week, as follows:

Weeks	Weekly Minimum Royalty Up to 40,000 Qualified Households	Weekly Minimum Royalty 40,000 or More Qualified Households
Weeks 1-52	No Minimum	No Minimum
Weeks 53-104	\$200	\$400
Weeks 105-208	\$275	\$550
Weeks 209 and after	\$350	\$750

Royalty is remitted by Thursday of each week throughout the Term, based on Gross Revenue for the preceding week, hereby defined as the seven (7) day period commencing on the Monday morning thereof. If you are in default under your agreement, your royalty remains at 6.9%, regardless of the amount of your Gross Revenues

9.2 Definition of Gross Revenue. As used in this Agreement, the term “Gross Revenue” means the actual gross charges, whether or not actually collected, for all goods and services purchased by or provided to customers, whether for cash, credit, barter, or in kind, and whether in, upon, from, through or by any means, related to the Franchised Business. If you discount a customer site cleaning for any reason, either in part or in full, Gross Revenue includes your standard visit charge, not the discounted price. Gross Revenue will exclude the price of goods exchanged for goods, the sale of which has already been included in Gross Revenue, and the amount of any retail tax imposed by any federal, state, municipal, or other governmental authority directly on sales and collected from customers at the point of sale by you acting as agent for such authority.

9.3 Payment of Royalty and other Fees. Payment of your Royalty and Service Fee, and all other recurring fees and payments due from you to us under this Agreement shall be made to us by bank draft, electronic funds transfer or similar method, specified by us, on or before Thursday of each week, or such other date as we may specify, for Gross Revenue charged during the immediately preceding seven day period described above. We agree to provide you with reasonable operating procedures in order to facilitate use of such services.

You agree to execute and deliver to us appropriate pre-authorized draft forms for your operating account or credit card(s), so that we may withdraw money on a timely basis to collect royalty payments, Advertising Fees, Technology fees, and any other fees or charges accruing hereunder. You agree to make

the funds available to us for withdrawal no later than the due date for payment. Failure to do so shall be considered non-payment and a breach of this Agreement under section 14.3(l) below. If you fail to report your Gross Revenues on a timely basis, we shall have the right to collect, in addition to the late fee, an amount we deem to be a reasonable estimate of the payment then due to us. Any such estimates will be reconciled and adjusted as needed when we receive the actual, delinquent reports. You further agree that upon termination or expiration of this Agreement, if you owe us any money, we may draft your account for that sum. It is agreed that it will be a breach of this Agreement if you close the bank account used for the bank drafts, without establishing with us a satisfactory alternative. We shall have the right to debit your credit card(s) at any time that a bank draft fails, for whatever reason, and you agree at all times throughout the term hereof to maintain a credit card that we can freely access for that purpose.

9.4 Reimbursement of Taxes and Costs. Should any taxing authority impose any “franchise” or other tax that is based on the gross sales, gross revenues, business activities, or operation of the Franchised Business, you will reimburse us in an amount equal to the amount of such taxes imposed on us and related costs and expenses paid by us. You will make such reimbursement within ten (10) days after written notice that we are entitled to reimbursement for payment of such taxes and other amounts as set forth in this Agreement.

10. ADVERTISING AND PROMOTION

10.1 By Us. You will submit to us a weekly sum in the amount of two percent (2%) of the weekly Gross Revenue (the “Advertising Fee”) made payable to the Maid Brigade Advertising Fund (the “Fund”) for marketing, advertising, and public relations related to the System. The Advertising Fee will be payable by the Thursday of each week throughout the Term, based on Gross Revenue for the preceding week, hereby defined as the seven (7) day period commencing on the Monday morning thereof. We will develop and conduct national, regional, and local advertising and promotional programs in such form and type of media we determine in our Reasonable Business Judgment to be effective, economical, and beneficial to the general recognition of the Marks and the success of our franchisees. These marketing, advertising, and promotional programs will be paid for entirely by the Fund. We will be advised in our use of Fund contributions by the National Advertising Council. The National Advertising Council will be composed of franchisees elected by their peers and corporate staff members we appoint, as set forth in the Confidential Operations Manual, and will make recommendations to us related to use of Fund contributions, which advice will not be binding on us. We may dissolve the National Advertising Council. You acknowledge and agree that the Fund is intended to maximize general public recognition and acceptance of the Maid Brigade System and that we are not obligated to ensure that any particular Maid Brigade franchise or you benefit directly from expenditures of the Fund or proportionately to a particular Maid Brigade franchise or your contributions to the Fund. Company-owned Maid Brigade businesses we operate, if any, will contribute to the Fund on the same basis as similarly-situated franchised businesses.

Amounts paid to the Fund will be spent on developing national, regional and local advertising materials, marketing programs and media placement as appropriate, including internet alliances, that will directly or indirectly cover the area of dominant influence where your office is located; and on engaging in test marketing, conducting surveys, covering administrative costs, marketing wages and ad agency fees, or enhancing advertising effectiveness; or for other purposes deemed beneficial to the general recognition of the Marks and the success of Maid Brigade franchises. All sums contributed to the Fund will be kept in an account separate from our revenue and will not be used except as permitted in this Agreement. Copies of all advertising material developed by us and paid for from the Fund will be made available to you for the cost of reproduction and shipping. You acknowledge and agree that total contributions to the Fund

need not be spent in the year in which such contributions are received, and that the Fund may retain a reasonable reserve at the end of each year. Expenditures in the following year will be made first out of such reserve, secondly out of earnings on contributions, and finally from new contributions. We may delegate our responsibilities contained in this Section 10.1 to one or more designees of our choosing. Although the Fund is intended to be of perpetual duration, we may terminate it at any time provided that all monies in the Fund are exhausted for the purposes described in this Agreement prior to termination. We or our designee under this Agreement will make available to you on request an annual statement of receipts and disbursements of the Advertising Fund.

10.2 By You. In addition to contributions you must make to the Fund, the following requirements must be met. You will spend \$3500- \$4000 a month. Our marketing department will provide guidance on your local advertising, and will manage the digital campaign. We determine the exact amount you must spend each month.

We require you to participate in a local or regional advertising cooperative, to place your local advertising in a collaborative effort with other Maid Brigade franchisees. Any amount that you contribute to a cooperative counts against the advertising requirement described in this paragraph. You must provide us with monthly reports documenting your advertising expenditures, to include Profit and Loss Statements and other documentation as requested, that we may verify you are fulfilling your local advertising requirement. If you spend more on local advertising, you may not use the excess as an offset against advertising fees you pay to the Advertising Fund. Your first three (3) years advertising planner must be approved by the Franchisor. All such local advertising will be completely factual and will comply with our guidelines for advertising as specified in the Confidential Marketing Manual or other written directives. At our option, we may require you to submit all advertising material to us for our approval or disapproval at least two (2) weeks prior to publication. If disapproved, we will notify you in writing within two (2) weeks following the receipt of your material. You may not create a website for the Franchised Business. We provide, through our own consumer Web site, for each franchisee to have their own personalized Web pages. You acknowledge that our consumer Web site (www.maidbrigade.com) is an advertising vehicle and that you are required to fully utilize all of its capabilities.

10.3 Franchisee's Name and Photograph. You hereby grant us the right, without compensation to you, to use your name, address, photograph, and biographical information in any publication related to the System, including in relation to the sale of other Maid Brigade franchises.

10.4 Telephone Number Phone Answering. You will maintain a telephone dedicated exclusively to the Franchised Business and this telephone must be answered live from 8:30 A.M. to 5:00 P.M. Monday through Friday.

11. RECORDS AND REPORTING

11.1 Bookkeeping, Accounting and Records. You can employ a qualified bookkeeping service to maintain a bookkeeping, accounting, and payroll system for the Franchised Business. However, you are permitted to manage the accounting, bookkeeping and payroll on your own. You will keep all of your financial and business records at the business premises throughout the Term, and thereafter will keep us advised of their location. If you choose to manage your own accounting, and bookkeeping, we recommend using QuickBooks Software.

11.2 Reports and Tax Returns. You will furnish to us, in a form we prescribe from time to time:

(a) A report of the Gross Revenue, as defined in Section 9.2 above, for the preceding week. The report must be transmitted via electronic mail (“e-mail”) so we receive it by the Thursday of each week. To facilitate the transmittal of these reports, you agree to comply with reasonable operating procedures we establish and to access the necessary e-mail program to communicate with us;

(b) An exact copy of all returns, schedules, and reports you file for federal and state income, corporate, or sales tax purposes, within thirty (30) days after you file such documents;

(c) A complete list of all customers, and their addresses and telephone numbers, who have canceled or terminated your service or sought refunds from you during the preceding month, by the tenth (10th) day of each month;

(d) A monthly profit and loss statement, and a profit and loss statement from the beginning of your current fiscal year to the end of the preceding month, verified and signed by you, within ten (10) days after the end of each month;

(e) An unaudited annual statement of profit and loss and the source and application of funds for the Franchised Business for that fiscal year, together with a balance sheet as of the end of the fiscal year prepared by a certified public accountant and verified as to the information you furnished to such accountant, within sixty (60) days after the end of each fiscal year; and

(f) Such other reports, sales slips, order forms, and records as we may from time to time require.

11.3 Audited Financial Statements. If we determine in our Reasonable Business Judgment that any report, financial statement, tax return, or financial schedule you furnish understates the Gross Revenue, distorts any other information, or is incomplete, unclear or misleading, we will have the right to require you to furnish audited financial statements for the fiscal year in question.

12. INSPECTIONS AND AUDITS

12.1 Our Right to Inspect. To determine whether you are complying with this Agreement, we will have the right, at any time during normal business hours, and without prior notice to you, to enter onto the business premises or such other premises where you are then conducting the Franchised Business or where you maintain the records of the Franchised Business, and inspect the business records, which records will include, but will not be limited to, bookkeeping and accounting records, invoices, payroll records, ledgers, sales reports, timecards, check stubs, bank deposits, receipts, sales tax records and returns, inventory records, and other documents. We will further have the right to take or supervise a physical count of all inventory, materials, and supplies associated with the Franchised Business. You will cooperate fully with our representatives making, conducting, supervising, or observing any such inspection. On notice that your bookkeeping or record keeping system is inadequate or that any materials or supplies do not meet specifications, standards, or requirements, or that the inspection otherwise reveals that you are in violation of this Agreement, you will take all appropriate action immediately to correct such deficiency or violation.

12.2 Our Right to Audit. We will have the right at any time during normal business hours, and without prior notice to you, to audit or cause to be audited, your books, records, reports, financial statements, and tax returns that you are required to submit to us under this Agreement as well as those

of any corporation to which you have assigned this Agreement. If we should determine that an audit is necessary after the expiration or termination of this Agreement, you will, on notice, deliver all required records and documents to us, failing which we may enter onto the premises where you are then keeping such records and documents and conduct such an audit. You will cooperate fully with our representatives and accountants conducting any such audit. In the event that any such audit should disclose an understatement of Gross Revenue for any period or periods, you will pay, within fifteen (15) days after receipt of the audit report, the amount of such understatement. Further, in the event such audit is made necessary by your failure to furnish books, records, reports, financial statements, tax returns, or schedules as herein required, or if an understatement of Gross Revenue for any period is determined by any such audit, you will reimburse us for the cost of such audit including, without limitation, the charges of any accountant and the transportation, food, lodging, salary, and benefit expenses of our employees or representatives who conducted the audit.

12.3 Information from Others. You hereby authorize us to make reasonable inquires of your bank, suppliers, and trade creditors concerning the operation and business affairs of the Franchised Business, and hereby direct such persons and companies to provide to us with such information and copies of any such documents we may request.

13. OWNERSHIP OF MARKS

13.1 Ownership of Names and Marks. You acknowledge that we are the owner of the Marks, that your right to use them is derived solely from this Agreement, and that such right is limited to the operation of the Franchised Business in accordance with this Agreement and all standards, specifications, and operating procedures we prescribe from time to time. You agree that your usage of the Marks and any goodwill established in the Marks will inure to our exclusive benefit and that this Agreement does not confer any goodwill or other interest in the Marks on you except the limited and non-exclusive right of use set forth in this Agreement. You further agree that after the termination or expiration of this Agreement, you will not, directly or indirectly, at any time or in any manner, identify any premises or any other business as a franchise of ours, or yourself as a franchisee of or otherwise associated with us; nor will you use in any manner or for any purpose any of the Marks or colorable imitations of them.

13.2 Limitations on Your Use of Marks. You will use "Maid Brigade" as the sole identification of the Franchised Business. All stationery and other written materials you use will conform to our standards and specifications but, in any event, such items will clearly indicate that you are a business independent from us and that you are solely a licensed user of the Marks. If local laws require that you file an affidavit or other registration disclosing that you are conducting business under an assumed or trade name, you will state in such filing or affidavit that you are using such name as our franchisee. You will not use any of the Marks as part of any corporate name or with any other prefix, suffix, or other modifying words, terms, designs or symbols (other than as required in this Agreement or with logos licensed to you under this Agreement), or in any modified form; nor will you use any Mark in connection with the sale of any unauthorized product or service or in any other manner we do not expressly authorize in writing. You will enter into contracts only in your name or the name of your corporation. On written notice from us, you will display the "®" or "™" symbols beside any or all of the Marks as we may require. If it becomes advisable at any time in our opinion for you to modify or discontinue use of any Mark, or to use one or more additional or substitute Marks, you agree to do so, and our sole obligation in any such event will be to reimburse you for your reasonable out-of-pocket costs of complying with this obligation excluding, without limitation, any expenditures relating to advertising or promotional material, and compensation for goodwill, related to the discontinued Marks.

13.3 Notification of Infringements and Claims. You will notify us immediately of any apparent infringement of, or challenge to, your use of any of the Marks, and of any claim by any person of any rights to any of the Marks. You will not communicate with any person other than us and our counsel in connection with any such infringement, challenge, or claim. We will have the right to take such action as we deem appropriate, and the exclusive right to control any litigation or administrative proceeding of a regulatory agency or court of law related to any infringement of, or challenge or claim to, any of the Marks, or in any way related to the Marks. Any damages or other benefits related to any such infringement, challenge, claim or proceeding will accrue exclusively to us.

14. TERMINATION OF FRANCHISE

14.1 By You. If you are in substantial compliance with this Agreement and we breach this Agreement and do not correct such breach within thirty (30) days after we receive written notice describing such breach, or if such breach cannot be cured within a thirty (30) day period and we do not undertake diligently to attempt to cure the breach within the cure period and continue to do so thereafter until the breach is cured, then you may terminate this Agreement effective ten (10) days after we receive your written notice of termination. Your termination of this Agreement except in accordance with this Section 14.1 will be deemed to be a termination without cause and a breach of this Agreement by you.

14.2 By Us: Partial Return of Initial Franchise Fee and Territory Fee. In the event that:

(a) You do not commence operating the Franchised Business as required in Section 3 above;
or,

(b) We, in our Reasonable Business Judgment, determine that you are unable to complete satisfactorily the Pre-Opening Training, Home Office Training, Mentor Visit Training or Blastoff Training, as required in Section 4 above; then we may terminate this Agreement, effective immediately on delivery to you of written notice of termination. In the event of such termination and on delivery to us of all releases, waivers, and other instruments we require to effect the termination of this Agreement and all other related agreements and to settle all purchases and other transactions, we will refund to you the Initial Franchise Fee and Territory Fee, less all reasonable expenses we actually incurred in connection with: (i) the preparation of this Agreement for your execution including, but not limited to, reasonable attorneys' fees and costs; (ii) the selection of the Operating Territory; (iii) the granting of the Franchise; and (iv) training you.

14.3 By Us: No Refund of Initial Franchise Fee. This Agreement will terminate at the expiration of the Term unless renewed in accordance with Section 1 hereof. We may terminate this Agreement without notice, without any refund of the Initial Franchise Fee or any other fees paid under this Agreement, and without giving you an opportunity to cure, if you or any corporation to which you have assigned this Agreement:

(a) Commit an act of bankruptcy or become insolvent;

(b) File, or fail to contest within three (3) days of filing, any petition in bankruptcy;

(c) Fail to contest, satisfy, lift, or vacate, within ten (10) days, any execution, seizure, foreclosure, levy, or distress against the assets of the Franchised Business;

(d) Fail to contest and have removed, within ten (10) days, the appointment of any temporary or permanent receiver or other custodian of the Franchised Business or any part of its assets;

(e) Take the benefit of any act or proceeding for winding up your affairs or compromising your debts;

(f) Make a Transfer, as defined in Sections 16.2 and 16.3 below, of the Franchise or Franchised Business without first complying with the relevant provisions of this Agreement;

(g) Make any unauthorized use of the Marks, make an unauthorized copy or disclosure of the Confidential Information, make an unauthorized copy or disclosure of the Confidential Operations Manual or the Software, or seek to challenge our ownership rights in the System, including the Marks and the Software;

(h) Abandon or surrender or transfer control of the operation of the Franchised Business or fail to actively conduct the Franchised Business as required in this Agreement and such condition continues for two (2) days after notice of such default is given; provided, however, we will not terminate this Agreement solely as a result of abandonment of the operation of the Franchised Business due to your death without first giving ten (10) days' prior written notice to your trustee, executor, administrator, or next of kin as shown in our files;

(i) Submit on two (2) or more occasions at any time during any calendar year, a report, financial statement, tax return, schedule, or other information, or any supporting record, that understates the Gross Revenue for any period by more than two percent (2%), unless you demonstrate that such understatement resulted from inadvertent error;

(j) Fail or refuse to submit any report, financial statement, tax return, schedule, or other information or supporting record required under this Agreement, or submit such report or record more than five (5) days late on two (2) or more occasions during the Term;

(k) Operate the Franchised Business in a manner that presents a health or safety hazard to the customers, employees, or the public, and such manner of operation continues uncorrected for two (2) days after notice to correct such hazard;

(l) Fail or refuse to pay any amount you owe us or any affiliated company for any debt whatsoever within ten (10) days after a demand for payment, or fail to honor on two (2) or more occasions during the Term checks presented to us or any affiliated company for payment, or repeatedly and consistently pay any amount due under this Agreement after its due date;

(m) Offer for sale or sell any unauthorized product or service for more than three (3) days after notice to cease such offers or sales;

(n) Fail to comply with any other provision of this Agreement or any other specification, standard, or operating procedure we prescribe and do not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to you;

(o) Violate any law, ordinance, rule, or regulation applicable to the Franchised Business or involving moral turpitude, and do not correct such violation promptly after notification thereof from any source, unless there is a *bona fide* dispute as to the violation or status of such law, ordinance, rule, or

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regulation, and you promptly resort to courts of appropriate jurisdiction to contest such violation or status;

(p) Receive two (2) or more notices of default under this Agreement during any twelve (12) consecutive month period regardless of whether or not you cure such defaults and whether or not they relate to the same default;

(q) Appear in our Reasonable Business Judgment applying generally accepted accounting principles to be in danger of becoming an insolvent person or entity unless within twenty (20) days after notice of default under this subparagraph you demonstrate to our satisfaction that you are, in fact, in no danger whatsoever of becoming insolvent and that you are financially able to fulfill all of your obligations to the customers, us, and all other creditors;

(r) Die or become permanently incapacitated, as described in Section 16.5 below, and the Franchise and Franchised Business have not been assigned to a person acceptable to us within sixty (60) days after such death or incapacity; or

(s) Fail to satisfy the complaints of seven (7) or more of the customers received in any twelve (12) consecutive month period.

(t) Fail to make timely payments to any of the vendors we have designated to you and do not bring those payments current within ten (10) days of receipt of notice from us.

(u) fail to meet the sales requirement for your territory for three or more years in a row, after your second full year in operation.

15. YOUR RIGHTS AND OBLIGATIONS ON TERMINATION OR EXPIRATION

15.1 Payment of Amounts Owed. You agree that within five (5) days after the effective date of termination or expiration of this Agreement, you will pay all amounts you owe to us and any affiliate of ours, and you will pay your trade and other creditors that are then unpaid. All periodic payments will be deemed to accrue daily and will be adjusted accordingly.

15.2 Return of Manuals and Retention of Records. You agree that within five (5) days after the effective date of termination or expiration of this Agreement, you will return to us all copies of all Confidential Information previously received from us; including, without limitation, all Manuals, the Software, and a complete list of past and present customers, including their addresses and telephone numbers. You will promptly and professionally correspond with all current customers and return all customer property including keys. You will retain all business records described above in Section 12 of this Agreement (including ledgers, sales reports, accounts, and checks) for at least six (6) years after the effective date of termination or expiration and will keep us advised of the location of such records. You will permit us to inspect such records at any time during normal business hours.

15.3 Transfer of Telephone Numbers and Directory Listings. You agree that immediately on termination or expiration of this Agreement, you will take such action as is required pursuant to that certain Telephone Listing Agreement attached to this Agreement as Schedule D.

15.4 Cancellation of Names. You agree that within five (5) days after the effective date of termination or expiration of this Agreement, you will cancel any trade names or d/b/a names using our name or any of the Marks.

15.5 Covenant Not to Compete. If this Agreement either expires and is not renewed, or is terminated prior to its designated expiration date by us in accordance with the provisions of this Agreement or by you without cause, you agree that for a period of two (2) years, commencing on the earlier of: (i) the effective date of any injunction or other court order against you barring you from conducting the Franchised Business and using the Marks; or (ii) the date on which you cease to conduct the Franchised Business, whether by transfer or otherwise, you will not have any interest as owner (except up to a 5% ownership interest in publicly held corporations registered under the Securities Exchange Act of 1934), partner, director, officer, lender, employee, consultant, representative, or agent, in any other house cleaning or janitorial service business within the Operating Territory, nor will you influence or attempt to influence the customers or former customers to divert their business from us or another Maid Brigade franchise. In addition to the foregoing, you agree that during such two year period, you will not provide consulting services to any residential cleaning business located within 100 miles of any Maid Brigade franchised territory. If all or any portion of a covenant in this Section 15.5 is held unreasonable or unenforceable by a court, agency, or other tribunal having valid jurisdiction in an unappealed final decision to which we are party, you agree to be bound by any lesser covenant that imposes the maximum duty permitted by law, as if the resultant covenant were separately stated in and made a part of this Section 15.5. Furthermore, you acknowledge and agree that we will have the right, in our sole discretion, to reduce the scope of any covenant contained in this Section 15.5 without your consent, effective immediately on your receipt of written notice, and you agree that you will comply forthwith with any covenant so modified.

15.6 Our Right to Purchase. In the event this Agreement is terminated for any reason or is not renewed, we will have the right, but not the obligation, exercisable by written notice delivered to you at any time after delivery of a notice of default under this Agreement or within thirty (30) days after the date of termination or expiration, to purchase all or part of your physical assets used in the Franchised Business except your personal assets. There will be no compensation for goodwill, and the purchase price for such assets will be equal to their fair market value less such goodwill. If you and we cannot agree on the purchase price for the assets that we desire to purchase within ten (10) days following our exercise of our option to buy, an independent appraiser you and we agree on will determine the fair market value, and you and we will share equally the cost of the appraiser. Such appraiser's decision will be final and binding with no appeal therefrom. The closing of the purchase will take place at a location, and on a date, we choose in our Reasonable Business Judgment, and will be completed in accordance with all applicable bulk sales legislation. At closing, you will deliver to us a bill of sale for the assets, in a form acceptable to us. We will be entitled to set off against the purchase price any amounts you then owe us or any affiliate of ours, and to pay out of the purchase price any of your unpaid creditors. In addition, and whether or not we purchase your business assets, we have the right, upon termination or non-renewal, to assume your lease for your business premises and take over possession of such premises.

15.7 Continuing Obligations. All obligations of the parties hereto that expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect notwithstanding such expiration or termination. In particular, but without limiting the generality of the foregoing, the provisions of Sections 7, 13, 15, and 17 hereof will survive termination or expiration of this Agreement.

15.8 Signs and Appearance of The Business Premises. After the termination or expiration of the Franchise, you agree that you will immediately make such removals of or changes in signs and colors as we reasonably request so as to distinguish the Franchised Business, its premises, and its vehicles from those of any other Maid Brigade franchise. If you fail to make such changes immediately, then we may enter on such premises or take temporary possession of such vehicles and make such changes at our expense without such action constituting a trespass.

15.9 Transfer or Termination of Domain Names and Websites. On termination or expiration of this Franchise Agreement, we will terminate your access and right to use all domain names, websites and search engines for the Franchised Business and to authorize the above and such other search engines to transfer to us or our designee all domain names, websites, and search engines associated with the Franchised Business. You acknowledge and agree that we have the absolute right to, and interest in, all domain names, websites, and search engines related to the Franchised Business and that we have the full right and authority to direct the above and all search engines to transfer your domain names, websites, and search engines to us or our designee if this Franchise Agreement expires or is terminated for any reason. You further acknowledge that this Agreement will constitute a release by you of the above and all other search engines from any and all claims, liabilities, actions, and damages that you may, at any time, have the right to allege against them in connection with this Section 15.9.

16. ASSIGNMENT, TRANSFER, AND ENCUMBRANCE

16.1 By Us. This Agreement is fully assignable by us in whole or in part, and will inure to the benefit of and be binding on any assignee or other legal successor to our interest in this Agreement; provided, however, we will not assign this Agreement to any party unless we, in our Reasonable Business Judgment, determine that such party is able to perform all our obligations set forth in this Agreement.

16.2 By You. You will not assign, pledge, or encumber this Agreement, the Franchise, or the Franchised Business. This Agreement and the Franchise are personal to you and, except as provided in Section 16.3 below, neither this Agreement nor any part of the ownership in the Franchise or the Franchised Business may be voluntarily or involuntarily, directly or indirectly, assigned, subdivided, subfranchised, or otherwise transferred by you (including, without limitation, any such attempted transfer by your personal representatives in the event of your death, or by will, declaration of trust, or the laws of intestate succession) without our prior written approval, which approval we will not unreasonably withhold or delay. If we grant such approval, it will be conditioned on the following:

(a) You paying us all amounts due and unpaid plus a transfer and training fee of our then current fee; presently our fee is \$9,500. The transfer fee, which will include, but not be limited to, reasonable attorneys' fees actually incurred, the cost of investigating the transferee, and our administrative expenses, including employee salaries, sales staff commissions, travel costs, telephone charges, and out-of-pocket costs, properly attributable to the transfer. The training fee will cover the cost of training the transferee, and which will include, but not be limited to, the training fees and transportation, food, lodging, salary expenses, and benefit costs of our employees involved in such training;

(b) The transferee executing our then-current form of franchise agreement and which may contain financial terms different from those contained in this Agreement. The transferee will also execute such other documents as we then customarily use to grant Maid Brigade franchises;

(c) You executing a general release, in form we prepare, of any and all claims against us and our affiliates, directors, officers, shareholders, employees, and agents, and the successors and assigns of us and any of them;

(d) You executing a noncompetition agreement that is consistent with Section 15.5 above, and which will provide that: (i) you will not for a period of two (2) years after the transfer have any interest, directly or indirectly, in any house cleaning or janitorial service business in the Operating Territory; and (ii) you will not influence or attempt to influence any former or existing customers to divert their business from us or another Maid Brigade franchise;

(e) The transferee purchasing all of your assets used in the Franchised Business and assuming all of your liabilities associated with the Franchised Business;

(f) The transferee being an individual having adequate financial resources who will have completed our then-standard Maid Brigade Pre-Opening Training and Home Office Training for franchisees, and who we determine in our Reasonable Business Judgment is otherwise capable of operating a Maid Brigade franchise; and

(g) Compliance by you and the transferee with such other requirements as we deem appropriate in our Reasonable Business Judgment.

16.3 Assignment to Corporation. A franchisee who is an individual may assign this Agreement without charge, once only, to a newly-formed corporation that will conduct no business other than the Franchised Business, which you actively manage, and in which you own and control all of the equity and voting power. Such assignment will not relieve you of your personal obligations to us under this Agreement. To effectuate this assignment, you and your corporation will execute our then-current form of Corporate Assignment Agreement.

16.4 Transfer Among Franchisees. In the event that you comprise two or more individuals, we will not unreasonably withhold our consent to a sale, assignment, or transfer of any kind (a "Transfer") of the interest of one of you under this Agreement (the "Transferor") to the other or others (whether one or more, the "Transferee"); provided, however:

(a) The Transferor must transfer all of his or her interest in this Agreement;

(b) The Transfer will not relieve the Transferor of his or her obligations under this Agreement to us;

(c) The Transfer will be completed in accordance with all applicable bulk sales legislation;

(d) The Transferor will give us at least thirty (30) days' prior written notice of the proposed Transfer together with all details of the Transfer that we request; and,

(e) The Transferee is capable, in our Reasonable Business Judgment, of operating the Franchised Business without the Transferor.

16.5 Your Death or Incapacity. On your death or permanent incapacity, you or your estate may assign this Agreement and the Franchised Business to your spouse, or to any one or more of your adult children, on the same terms and conditions as you are permitted to assign this Agreement to a third party

transferee pursuant to Section 16.2 above, but without the necessity of paying a transfer fee. For the purposes of this Agreement, “death or permanent incapacity” will be deemed to have occurred if, due to mental or physical infirmity, you fail to participate actively in the Franchised Business for a total of ninety (90) days at any time or times throughout any 365-consecutive-day period.

16.6 Our Right of First Refusal. If you determine at any time to sell the Franchised Business or an ownership interest in the Franchised Business, you will obtain a *bona fide* executed written offer to purchase the Franchised Business and all assets you use in the Franchised Business from a responsible and fully-disclosed purchaser, and will submit an exact copy of such offer to us. We will, for a period of ten (10) days from the date we receive such documented offer, have the right, but not the obligation, exercisable by written notice to you, to purchase all of the Franchised Business and its assets for the price (minus any sales commission that would have been payable as a result of the proposed sale) and on the terms and conditions contained in such offer; provided, however, we may substitute cash for any other form of consideration proposed in such offer. We may deduct from the purchase price any unpaid debts you owe us and may pay out of the purchase price any of your unpaid trade creditors. If we do not exercise our right of first refusal, you may complete the sale of the Franchised Business to such purchaser on the same terms as offered to us, subject to the provisions of Section 16.2 of this Agreement. If the sale to such purchaser is not completed within sixty (60) days after delivery of such offer to us, or if the purchaser makes any proposed material modifications to the offer, we will again have the right of first refusal set forth in this Section 16.5.

16.7 Our Temporary Operation of Business. In the event that you:

(a) Fail to conduct the Franchised Business during the hours of business we specify;

(b) Abandon the Franchised Business; or

(c) Die or become permanently incapacitated (as described in Section 16.5 above), and you or your estate, as the case may be, fail to assign this Agreement by means of an assignment (with our approval) pursuant to Sections 16.2 or 16.5 of this Agreement;

then unless and until we terminate this Agreement pursuant to Section 14 hereof, we may enter the Operating Territory and operate and manage Franchised Business for your or your estate’s account until this Agreement is terminated or assigned to a party acceptable to us, or until you resume control over the Franchised Business and operate it in accordance with this Agreement; provided, however, no such operation and management by us will continue for more than ninety (90) days without your written consent or the written consent of the representative of your estate. In the event that we so operate the Franchised Business, we will account to you or your estate for all net income from such operation, less the reasonable expenses we incurred in, and a reasonable management fee for, our operation of the Franchised Business.

17. INDEMNIFICATION

17.1 By Us. We agree to indemnify you against and to reimburse you for all damages for which you are held liable, and all costs you reasonably incur in the defense of any such claim brought against you, in any proceeding arising out of:

(a) Your proper use of the Marks in accordance with this Agreement, subject to the provisions of Section 13.2 of this Agreement;

(b) False representations or warranties we made; or

(c) The negligent or willful acts or omissions of us or our directors, officers, employees, or agents under this Agreement.

We will have the right to participate in, and to control, any litigation or proceeding related to the claim, including the right to compromise or settle such litigation or proceeding, to the extent that we deem necessary or advisable. As a condition of this indemnification, you must timely notify us of a claim subject to indemnification and have otherwise complied with this Agreement.

17.2 By You. You agree to indemnify, defend, and hold harmless us, our affiliates, directors, officers, shareholders, employees, and agents, and the successors and assigns of us and any of them, against, and to reimburse us and them for, all loss, claims, or obligations that are related to or are based on your acquisition, management, or operation of the Franchised Business; including, without limitation:

(a) Your breach of any provision contained in this Agreement or any other agreement between you and us or any of our affiliates;

(b) Acts, errors, or omissions of you or any of your agents, servants, employees, contractors, partners, affiliates, or representatives;

(c) Your violation, breach, or asserted violation or breach of any federal, state, or local law, rule, ordinance, regulation, standard, or directive, or of any industry standard;

(d) Your taxes, liabilities, costs, or expenses related to the Franchised Business;

(e) Any advertising or promotional material distributed, broadcast, or in any way disseminated by you or on your behalf, unless we have produced such material or approved it in writing in advance; and

(f) The negligent operation of the Franchised Business.

For purposes of this indemnification, "loss, claims, or obligations" will include, without limitation, all loss, losses, damage, damages (whether compensatory, exemplary, or punitive), fines, charges, costs, lost profits, attorneys' fees and costs, accountants' fees, expenses, court costs, settlement amounts, judgments, expert witness fees, other litigation expenses, and travel and living expenses. We will have the right to defend any such claim against us in such manner as we deem appropriate in our Reasonable Business Judgment. This indemnification will survive the termination of this Agreement.

18. MISCELLANEOUS

18.1 Enforcement. You acknowledge that any failure by you to comply with the terms of this Agreement could cause us irreparable harm that may not be compensable by the payment of money; and, therefore, you agree that we will be entitled to appoint a receiver of the Franchised Business and to seek to obtain declarations, temporary and permanent injunctions, and orders of specific performance enforcing the provisions of this Agreement related to your use of the Marks, your obligations on

termination or expiration of this Agreement, and assignment of this Agreement, and to prohibit any act or omission by you, or any employee of yours, that constitutes a violation of any applicable law, by-law, or regulation, is dishonest or misleading to Maid Brigade customers or prospective customers; or constitutes a danger to employees, customers, or to the public; or that may impair the goodwill associated with the Marks. If we secure any such injunction, declaration, or order of specific performance, or bring any proceeding to enforce the provisions of this Agreement, you agree to pay to us an amount equal to the aggregate of our reasonable costs of obtaining such relief including, without limitation, attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, travel and living expenses, and any damages related to the breach of any such provision.

18.2 Severability. All provisions of this Agreement are severable. In the event that any provision of the Agreement is ruled by a court, agency, or arbitrator having jurisdiction over the subject matter and the parties to be invalid or unenforceable, this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained in this Agreement; and all partially valid and enforceable provisions will be enforced to the extent they are intelligible, valid, and enforceable. If any provision of this Agreement that restricts competitive activity is declared invalid or unenforceable due to its scope, geographic restriction, or length of time, but could be enforceable if any of the foregoing are reduced, you agree that the restrictions will be enforced to the fullest extent permitted by law in the jurisdiction in which we seek enforcement.

18.3 Compliance with Local Law. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of this Agreement than is required under this Agreement, or the taking of some other action not required under this Agreement, the prior notice or other action required by such law or rule will be substituted for the notice requirements set forth in this Agreement. Such modifications of this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

18.4 Waiver of Obligations and Amendments. Either party to this Agreement may, by written instrument delivered to the other, unilaterally waive any obligation of, or restriction placed solely on, the other party under this Agreement. No acceptance by us of any payment by you, and no failure, refusal, or neglect of us or you to exercise any right under this Agreement or to insist on full compliance by the other with its obligations under this Agreement, will constitute a waiver of any provision in this Agreement. Any waiver we grant will be without prejudice to any other rights we may have and may be revoked at any time, and for any reason, by written notice. No failure, refusal, or neglect of the parties to this Agreement to exercise any rights contained in this Agreement will be deemed a waiver of such rights unless notice is given in writing as provided in this Agreement. Any modification or amendment to this Agreement, except as noted above, will be in writing signed by all parties to this Agreement.

18.5 Withholding Payments. You will not, for any reason, withhold payment of any Royalty and Service Fees, Advertising Fees, or any other fees or payments due to us under this Agreement. You will not have the right to withhold or offset any liquidated or unliquidated amounts, damages, or other monies allegedly due to you by us against any Royalty and Service Fees, Advertising Fees, or any other fees due to us under this Agreement. No endorsement or statement on any check or payment of any sum less than the full sum due to us will be construed as an acknowledgment of payment in full or an accord and satisfaction, and we may accept and cash such check or payment without prejudice to our right to recover the balance due or pursue any other remedy provided in this Agreement or by law. We may apply any payments you make against any of your past due indebtedness as we deem appropriate. We may set off sums we owe you against any unpaid debts you owe us.

18.6 Rights of Parties Are Cumulative. The rights of the parties under this Agreement are cumulative, and no exercise or enforcement by a party of any right or remedy under this Agreement will preclude the exercise or enforcement by that party of any other right or remedy contained in this Agreement, or to which it is entitled by law.

18.7 Construction. The headings of the several sections and paragraphs of this Agreement are for convenience only and do not define, limit, or have any effect on the construction of the contents of such sections or paragraphs. The term “you” as used in this Agreement is applicable to one or more persons, a corporation, a limited liability company, or a partnership, as the case may be, and the singular usage (where applicable) includes the plural, and the masculine and neuter usages (where applicable) include the other and the feminine. All dollar amounts in this Agreement described are United States dollars. The word “Term” will include a renewal Term hereof, if this Agreement is renewed in accordance with Section 1.2 above, unless the context requires otherwise. When calculating the date on which, or the time within which, any act is to be done under this Agreement, the date that is the reference date in calculating such period will be excluded. If the last of such period is a non-business day, the period in question will end on the next business day.

18.8 Independent Contractors. The parties to this Agreement are independent contractors and no training, supervision, or assistance we give will be deemed to negate such independence. You acknowledge that the success of the Franchised Business depends substantially on your own efforts and on circumstances beyond our control, such as general economic conditions and the economic conditions in the Operating Territory, and you hereby assume the sole responsibility for its success or failure. You will conspicuously identify yourself at the Franchised Business premises as the owner or tenant, as the case may be, of the premises and a licensed franchisee of ours. Neither party to this Agreement will make any agreements, representations, or warranties (except by us in advertising as provided for in this Agreement) in the name of, or on behalf of, the other, or that their relationship is other than that of franchisor and franchisee; neither party hereto will be obligated by nor has any liability for, any agreements, representations, or warranties made by the other (except by us in advertising as provided for in this Agreement); nor will we be liable for any damages to any person or property, directly or indirectly, related to your operation of the Franchised Business. We will have no liability for any sales, use, excise, income, property, or other tax levied on the Franchised Business or its assets related to the services you perform.

You acknowledge that we have no control over your hiring and employment practices, all of which are your sole responsibility.

18.9 General Due Date; Interest and Late Charges. All amounts payable under this Agreement or any other agreement between the parties to this Agreement: (i) will, except where a due date is otherwise specified, be due ten (10) days after we deliver notice of the amount due, or demand for payment of the amount due, to you; and (ii) will bear interest after the date on which such payment becomes due at two percent (2%) per annum above the lowest annual rate of interest quoted by our bank to its most creditworthy borrowers for prime business loans at the time such payment becomes due, or the maximum legal rate of interest, whichever is less.

Payments of Royalty and Service Fees and Advertising Fees must be submitted weekly to us as provided in this Agreement, and if any such payment is made late or is not made, we may require you to pay a late charge equal to ten percent (10%) of such payment due to cover our administrative and collection costs related to such payment.

18.10 Entire Agreement. This Agreement including Schedules and any other documents expressly referred to herein or otherwise attached hereto, sets forth the sole and entire agreement between the parties and supersedes all prior discussions, understandings, and agreements between the parties with respect to the matters contained herein. The parties expressly confirm that there are no other oral or written agreements, "side-deals," arrangements, or understandings between them except as set forth herein. No modification, amendment, or waiver of this Agreement, or any provision hereof, will be binding on either party unless evidenced by an instrument in writing duly signed by an authorized officer or employee of the party against whom enforcement is sought. You acknowledge and agree that you have not been induced to enter into this Agreement in reliance on, nor as a result of, any statements, representations, warranties, covenants, promises, or inducements whatsoever, whether oral or written, and whether directly related to the contents hereof or collateral thereto, made by us or our affiliates, directors, officers, shareholders, employees. You acknowledge that we have granted you the Franchise in reliance on the information you supplied to us in your application for a Maid Brigade franchise.

18.11 Notices. Any notice, request, or demand that the parties to this Agreement may be required or permitted to give to the other party (collectively the "Notice") will be in writing and will be delivered by: (i) personal delivery; (ii) facsimile transmission; (iii) courier delivery by a national courier service, such as Federal Express, UPS, or Airborne, for overnight delivery; or (iv) prepaid certified mail; and will be deemed given on the earlier of: (a) receipt; (b) refusal to accept delivery; (c) facsimile printout acknowledging receipt of facsimile transmission; or (d) three (3) business days after deposit in the mail. All such notices will be addressed as shown on the first page or Schedule A of this Agreement, to the site of the franchised business in case of notices given to you, or to such other address as may be designated by a party to this Agreement by written notice to the other party.

18.12 Force Majeure. Neither party to this Agreement will be liable for any loss or damage due to any delay in the due performance of the terms of this Agreement (except for the payment of money) by reason of strikes, lockouts, fires, riots, wars, embargoes, civil commotion, or acts of God. Any such delay will extend performance only so long as such event is in progress.

18.13 Time of the Essence. In all respects, time will be of the essence to this Agreement.

18.14 Further Assurances. Each party to this Agreement will execute and deliver such further instruments, contracts, forms, and other documents, and will perform such further acts, as may be necessary or desirable to carry out, complete, and perform all terms, covenants, and obligations contained in this Agreement.

18.15 Joint and Several Liability. In the event that you as franchisee consist of more than one person, entity, or combination of the two, your liability under this Agreement will be both joint and several. A breach of this Agreement by one such person or entity will be deemed to be a breach by both or all persons or entities.

18.16 Successors Bound. This Agreement will inure to the benefit of, and be binding on, the parties to this Agreement and their permitted successors and assigns.

18.17 Governing Law/Venue Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 *et seq.*), or any other federal law, this Agreement will be construed in accordance with, and be governed by the laws of the State of Georgia, without regard to its conflict of law principles. You agree that all actions related to this Agreement will be tried in any state or

federal court of general jurisdiction in the County of Fulton, State of Georgia, and you irrevocably submit to the jurisdiction of such courts and waive any objection you may have to the jurisdiction or venue of such court. To the extent permitted by law, and except as otherwise permitted under this Agreement, you and we waive any right or claim for any punitive or multiplied damages against the other and agree that in the event of a dispute between you and us, each will be limited to the recovery of actual damages sustained. Furthermore, you and we, to the extent permitted by law, irrevocably waive trial by jury on any action, proceeding or counterclaim, whether at law or equity, brought by either against the other. To the extent permitted by applicable law, any and all claims related to this Agreement or the relationship between you and us will be barred unless an action or proceeding is commenced within one year from the date on which you and we knew or should have known, in the exercise of reasonable investigation, of the facts giving rise to such claims. This limitation of claims will not apply to claims or proceedings for the recovery of monies owed under this Agreement.

18.18 Schedules. The following schedules form part of this Agreement:

- Schedule A - Description of The Operating Territory
- Schedule B - State-Specific Amendments
- Schedule C - Telephone Listing Agreement
- Schedule D - Bank Draft Authorization Form
- Schedule E - Personal Guaranty

18.19 Acknowledgments. You acknowledge that you have:

(a) Received a copy of our complete Disclosure Document required by the Federal Trade Commission and the governing authorities of the state in which the Operating Territory will be located at least fourteen (14) calendar days prior to the date on which you executed this Agreement or paid any consideration;

(b) Read and understood this Agreement, and all related agreements, before signing this Agreement;

(c) Been accorded ample time and opportunity to consult with advisers of your own choosing before signing this Agreement;

(d) Received a copy of this Agreement in final form at least five (5) business days before signing it;

(e) Received no representations, promises, guarantees, projections, or warranties of any kind from us to induce the execution of this Agreement or related to this Agreement except as specifically set forth in writing in this Agreement; and

(f) Received no guarantee from us or any other party as to your success in the Franchised Business; and that the number of qualified households within the Operating Territory is not an indicator or predictor of future success.

18.20 Reasonable Business Judgment. "Reasonable Business Judgment" means that our determinations or choices will prevail, even if other alternatives are also reasonable or arguably preferable, if we intend to benefit, or are acting in a way that could benefit, the System (by, for example,

enhancing the value of the Marks, increasing customer satisfaction, minimizing possible customer confusion as to the Marks or the location of any Maid Brigade business, or increasing our financial strength). You agree to this concept of Reasonable Business Judgment in acknowledgment of the fact that we should have at least as much discretion in administering the System as a corporate board of directors has in directing a corporation and because the long-term interests of the System and all franchisees and owners of Franchised Businesses in the System require that we have the latitude to exercise Reasonable Business Judgment. We shall not be required to consider your particular economic or other circumstances or to slight our own economic or other business interests when exercising our Reasonable Business Judgment. You acknowledge that: (i) we have a legitimate interest in seeking to maximize our profit; and (ii) the fact that we benefit economically from an action will not be relevant to showing that we did not exercise Reasonable Business Judgment. Neither you nor any third party (including but not limited to any third party acting as a trier of fact) shall substitute your or its judgment for our Reasonable Business Judgment. You agree that, in a given situation, you have the burden of establishing, by clear and convincing proof, that we failed to exercise Reasonable Business Judgment.

18.21 No Waiver. Nothing in this Agreement or in any related agreement is intended to disclaim our representations made in our Franchise Disclosure Document.

IN WITNESS WHEREOF, the parties to this Agreement, intending to be legally bound, hereby have duly executed and delivered this Agreement in multiple counterparts, any of which will have the effect of an original and all of which, when taken together, will constitute one and the same instrument, as of the Effective Date first above written.

US:

YOU:

MAID BRIGADE, INC.

(Signature)

By: _____

(Print Name)

John Barton Puett

Its: President

(Signature)

(Print Name)

SCHEDULE B

STATE-SPECIFIC AMENDMENTS

FOR RESIDENTS OF THE STATE OF CALIFORNIA

CALIFORNIA CORPORATIONS CODE SECTION 31125 REQUIRES THAT THE FRANCHISOR GIVE THE FRANCHISEE A DISCLOSURE DOCUMENT APPROVED BY THE DEPARTMENT OF BUSINESS OVERSIGHT PRIOR TO A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

In addition to the information contained in Item 3 of the Disclosure Document, neither the Franchisor or any person identified in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement provides for termination on bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.).

The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the Franchise. This provision may not be enforceable under California law.

The Franchise Agreement requires application of the laws and forum of the State of Georgia. This provision may not be enforceable under California law.

California Corporations Code, Section 31125 requires us to give you a disclosure document approved by the Department of Business Oversight prior to solicitation of a proposed material modification of an existing franchise.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination or non-renewal of the Franchised Business. If the Franchise Agreement is inconsistent with the law, the law will control.

The Franchise Agreement requires you to execute a general release of claims on renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order under this Agreement is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000-31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000-20043).

In accordance with CCR § 310.156.3(a)(3), the Franchisor's URL address is www.Maidbrigade.com. "OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT, ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www.dbo.ca.gov.

FOR RESIDENTS OF THE STATE OF ILLINOIS

The conditions under which your franchise can be terminated and your rights upon non-renewal may be affected by Illinois Law, ILCS 705/19 and 705/20.

Section 41 of the Illinois Franchise Disclosure Act provides states that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Illinois law governs the agreements between the parties to this franchise.

FOR RESIDENTS OF THE STATE OF INDIANA

Any provision in the release described in Section 1.2 of the Franchise Agreement will exclude liabilities under Indiana Code Section 23-2-2.7.

Section 17.2 of the Franchise Agreement is hereby modified by adding the following sentence as the last sentence thereof: "However, you will not be required to indemnify for any liability caused by your proper reliance on, or use of, procedures or materials we provided, or caused by our negligence."

FOR RESIDENTS OF THE STATE OF MARYLAND

Notwithstanding any provisions in the Franchise Agreement to the contrary, any claims arising out of the Maryland Franchise Registration and Disclosure Law may be brought within the State of Maryland.

Pursuant to COMAR 02.02.08.16L of the Maryland Franchise Registration and Disclosure Law, a general release required as a condition to renewal, sale, and/or assignment/transfer of a franchise shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Any claim arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise. No provision in the Franchise Agreement shall have the effect of reducing the three year period provided under the Maryland statute.

No release, or waiver of liability by a franchisee as a requirement to purchase a franchise shall constitute a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

This Appendix amends both the terms of the Franchise Agreement as well as the disclosures set out in Item 17 of the Disclosure Document, with respect to franchisees in Maryland.

Any acknowledgments or representations of the franchisee made in the franchise agreement which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation

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

FOR RESIDENTS OF THE STATE OF NEW YORK

Notwithstanding any provision of the Franchise Agreement, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force, it being the intent of this proviso that the non-waiver provisions of the General Business Law of the State of New York Sections 687.4 and 687.5 be satisfied.

No new or different requirements imposed on you as a result of any changes made by us to its Confidential Operations Manual pursuant to Section 4.5 of the Franchise Agreement or otherwise will place an unreasonable economic burden on you.

Notwithstanding any provision of the Franchise Agreement to the contrary, we will not transfer and assign our rights and obligations under the Franchise Agreement unless the transferee will be able to perform our obligations under the Franchise Agreement, in our good faith judgment, so long as it remains subject to Article 33 of the General Business Law of the State of New York.

Section 17.2 of the Franchise Agreement is hereby modified by adding the following sentence as the last sentence thereof: "However, you will not be required to indemnify for any civil wrong of us."

Notwithstanding Section 18.17 of the Franchise Agreement, the choice of law and venue provisions should not be construed as a waiver of any right conferred on you by the provisions of Article 33 of the General Business Law of the State of New York.

Washington State Law Appendix

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 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 or rights of 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.

FOR RESIDENTS OF ALL STATES LISTED IN THIS ADDENDUM

Notwithstanding Section 18.10 of the Franchise Agreement to the contrary, this Addendum will not be merged with or into, or superseded by, the Franchise Agreement. In the event of any conflict between the Franchise Agreement and this Addendum, this Addendum will be controlling. Except as otherwise expressly set forth in this Agreement, no other amendments or modifications of the Franchise Agreement are intended or made by the parties.

Applicable State or Commonwealth: _____

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum as of the Effective Date of the Franchise Agreement.

US:

YOU:

MAID BRIGADE, INC.

By: _____

(Signature)

John Barton Puett

Its: President

(Print Name)

(Signature)

(Print Name)

SCHEDULE C

MAID BRIGADE, INC.

TELEPHONE LISTING AGREEMENT

MAID BRIGADE, INC.

TELEPHONE LISTING AGREEMENT

THIS TELEPHONE LISTING AGREEMENT (the "Listing Agreement") is made and entered into by and between MAID BRIGADE, INC., a Delaware corporation with its principal place of business at Four Concourse Parkway, Suite 200, Atlanta, Georgia 30328 ("we," "us," or the "Company"), and _____ ("you"), whose principal address is shown on Schedule A to that certain Maid Brigade Franchise Agreement dated _____ herewith (the "Franchise Agreement").

WITNESSETH :

WHEREAS, you desire to enter into the Franchise Agreement; and

WHEREAS, we would not enter into the Franchise Agreement without your agreement to enter into, comply with, and be bound by all the terms and provisions of this Listing Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereby agree as follows:

1. DEFINITIONS

All terms used but not otherwise defined in this Listing Agreement shall have the meanings set forth in the Franchise Agreement or Schedules thereto, as the context may require. "Termination" of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or the natural expiration thereof.

2. TRANSFER; APPOINTMENT

2.1 Interest in Telephone Numbers and Listings. You have, or will acquire during the Term of the Franchise Agreement, certain right, title, and interest in and to those certain telephone numbers and regular, classified, yellow-page, and other telephone directory listings (collectively, the "Telephone Numbers and Listings") related to the Franchised Business or the Maid Brigade Marks (all of which right, title, and interest is referred to herein as your "Interest").

2.2 Transfer. On Termination of the Franchise Agreement, if we direct you to do so, you will immediately direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the "Telephone Companies") with which you have Telephone Numbers and Listings: (i) to transfer all your Interest in such Telephone Numbers and Listings to us; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event we do not desire to accept any or all such Telephone Numbers and Listings, you will immediately direct the Telephone Companies to terminate such Telephone Numbers and Listings.

2.3 Appointment; Power of Attorney. You hereby constitute and appoint us and any officer or agent of ours, for our benefit under the Franchise Agreement and this Listing Agreement or otherwise, with full power of substitution, as your true and lawful attorney-in-fact with full power and authority in

your place and stead, and in your name or the name of any affiliated person or affiliated company of yours, on Termination of the Franchise Agreement, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Listing Agreement. You further agree that this appointment constitutes a power coupled with an interest and is irrevocable until you have satisfied all your obligations under the Franchise Agreement and any and all other agreements to which you and any of your affiliates on the one hand, and we and any of our affiliates on the other, are parties. Without limiting the generality of the foregoing, you hereby grant to us the power and right to do the following:

(a) Direct the Telephone Companies to transfer all your Interest in and to the Telephone Numbers and Listings to us;

(b) Direct the Telephone Companies to terminate any or all of the Telephone Numbers and Listings; and

(c) Execute the Telephone Companies' standard assignment forms or other documents in order to affect such transfer or termination of your Interest.

2.4 Certification of Termination. You hereby direct the Telephone Companies that they shall accept, as conclusive proof of Termination of the Franchise Agreement, our written statement, signed by an officer or agent of ours, that the Franchise Agreement has Terminated.

2.5 Cessation of Obligations. After the Telephone Companies have duly transferred all your Interest in such Telephone Numbers and Listings to us, as between you and us, you will have no further Interest in, or obligations under, such Telephone Numbers and Listings. Notwithstanding the foregoing, you will remain liable to each and all of the Telephone Companies for the sums you are obligated to pay such Telephone Companies for obligations you incurred before the date we duly accept the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Listing Agreement.

3. MISCELLANEOUS

3.1 Release. You hereby release, remise, acquit, and forever discharge each and all of the Telephone Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertable in, or in any way related to this Listing Agreement.

3.2 Indemnification. You are solely responsible for all costs and expenses related to your performance, your nonperformance, and our enforcement of this Agreement, which costs and expenses you will pay us in full, without defense or setoff, on demand. You agree to indemnify, defend, and hold harmless us, our affiliates, directors, officers, shareholders, employees, and agents, and the successors and assigns of us and any of them, against, and to reimburse us and them for, all loss, claims, or obligations that are related to or are based this Listing Agreement. For purposes of this indemnification, "loss, claims, or obligations" will have the same meaning as set forth in Section 17.2 of the Franchise Agreement.

3.3 No Duty. The powers conferred on us hereunder are solely to protect our interests and shall not impose any duty on us to exercise any such powers. You expressly agree that in no event shall

we be obligated to accept the transfer of any or all of your Interest in any or all such Telephone Numbers and Listings.

3.4 Further Assurances. You agree that at any time after the date hereof, you will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Listing Agreement.

3.5 Successors, Assigns, and Affiliates. All our rights and powers, and all your obligations, under this Listing Agreement shall be binding on your successors, assigns, and affiliated persons or entities as if they had duly executed this Listing Agreement.

3.6 Effect on Other Agreements. Except as otherwise provided in this Listing Agreement, all provisions of the Franchise Agreement and Schedules thereto shall remain in effect as set forth therein.

3.7 Survival. This Listing Agreement shall survive the termination of the Franchise Agreement.

3.8 Joint and Several Obligations. All your obligations under this Listing Agreement shall be joint and several.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Listing Agreement as of the Effective Date of the Franchise Agreement.

US:

YOU:

MAID BRIGADE, INC.

(Signature)

By: _____

(Print Name)

John Barton Puett

Its: President

(Signature)

(Print Name)

SCHEDULE D

MAID BRIGADE, INC.

BANK DRAFT FORM

ELECTRONIC FUNDS TRANSFER (EFT) AUTHORIZATION

Franchisee Information:

Franchisee Name	Facility No.
-----------------	--------------

Franchisee Mailing Address (street) Phone No.	Franchisee
--	------------

Franchisee Mailing Address (city, state, zip)

Contact Name, Address and Phone number (if different from above)

Franchisee Fax No. mail Address	Franchisee E-
------------------------------------	---------------

Bank Account Information:

Bank Name	Bank Account No.
-----------	------------------

Bank Mailing Address (street)	Bank Routing No.
	[:]:
	(9 characters) _____

Bank Mailing Address (city, state, zip)	Bank Phone No.
---	----------------

Payee Information: Maid Brigade, Inc.

Authorization:

The Franchisee hereby authorizes the Bank to honor and charge the Bank Account for electronic funds transfers or drafts drawn on the Bank Account and payable to the Payees. The amount of such charge shall be set forth in a notice from the Payees presented to the Bank on the tenth (10th) day of each

month. The Franchisee agrees to execute such additional documents as may be reasonably requested by the Payees or the Bank to evidence the interest of this EFT Authorization. This authority shall remain in full force and effect until the Payees have received written notification from the Franchisee in such time and manner as to afford the Payees and the Bank to act on such notice. The Franchisee understands that the termination of this authorization does not relieve the Franchisee of its obligations to make payments to the Payees.

Signature: _____

Date: _____

Federal Tax ID Number: _____

INDEMNIFICATION OF BANK

In consideration of the Bank's compliance with the foregoing request and authorization, the Payees agree with respect to any action by the Bank in compliance with the foregoing request and authorization to indemnify the Bank and hold the Bank harmless for, from and against any loss the Bank may suffer as a consequence of the Bank's actions from or in connection with the execution and issuance of any electronic fund transfer or draft, whether or not genuine, purporting to be executed by the Payees and received by the Bank in the regular course of business for the purpose of payment, except to the extent such loss caused by the negligence or willful misconduct of the Bank.

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT.

Schedule E to Maid Brigade Franchise Agreement

Personal Guaranty

PERSONAL GUARANTY

As an inducement to Maid Brigade, Inc. (hereinafter "Us" or "We") to enter into the foregoing Franchise Agreement with _____ "Franchisee") dated _____ (hereinafter referred to as the Franchise Agreement") the undersigned, jointly and severally, hereby unconditionally guarantee to us and our successors and assigns that all of the Franchisee's obligations under the Franchise Agreement will be punctually paid and performed in a timely manner. The undersigned further guaranty the full payment and performance of all obligations of the Franchisee to us under the franchise relationship with us, whether embodied in the Franchise Agreement or otherwise. Further, the undersigned, individually, jointly and severally, hereby agree to be personally bound by each and every condition and term contained in the Franchise Agreement as though each of the undersigned were the franchisee, including the dispute resolution provisions, restrictive covenants and non-disclosure provisions, and any amendments, extension or other modification to the Franchise Agreement.

Upon demand by us, the undersigned will immediately make each contribution or payment required of you under the Franchise Agreement. The undersigned hereby waives: (i) all rights to payments and claims for reimbursement or subrogation that any of the undersigned may have against each other arising as a result of the undersigned's execution of and performance under this guarantee provision, for the express purpose that none of the undersigned will be deemed a "creditor" of any other guarantor under any applicable bankruptcy law with respect to your obligations to us; (ii) all rights to require us to proceed against the Franchisee or any other guarantor for any payment required under this Agreement, proceed against or exhaust any security from the Franchisee or any other guarantor, take any action to assist any of the undersigned in seeking reimbursement or subrogation in connection with this guarantee provision or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against the undersigned; (iii) any benefit of, any right to participate in, any security now or hereafter held by us; and (iv) acceptance and notice of acceptance by us of the undersigned's undertakings under this guarantee provision, all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which the undersigned may be entitled. We will have no present or future duty or obligation to the undersigned under this guarantee, and each of the undersigned waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning the Franchisee, any other guarantor or any collateral securing any obligations of the Franchisee to us. Without affecting the obligations of the undersigned under this guarantee provision, we may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with or release all or any provisions of the Franchise Agreement or any indebtedness or obligation of the Franchisee, or settle, adjust, release or compromise any claims against the Franchisee or any other guarantor, make advances for the purpose of performing any obligations of the Franchisee under the Franchise Agreement, assign the Franchise Agreement or the right to receive any sum payable under the Franchise Agreement, and the undersigned each hereby jointly and severally waive notice of same and agree to be bound by any and all amendments and changes to the Agreement,

including any extensions or renewals of the Franchise Agreement, including renewals effected by the execution of a replacement Franchise Agreement, which the undersigned hereby specifically guarantees. The undersigned expressly acknowledge that the obligations under this guarantee provision survive the expiration or termination of the Franchise Agreement.

The undersigned hereby agrees to defend, indemnify and hold us harmless against any and all losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees, reasonable costs of investigation, court costs and arbitration fees and expenses) ("**Claims**") resulting from, consisting of or arising out of or in connection with any failure by the Franchisee, its, owners, officers, directors, agents or employees to perform any obligation under the Franchise Agreement, any amendment thereto or any other agreement executed by Franchisee arising out of the franchise relationship between us and the Franchisee.

Guarantor represents and warrants to us that neither Guarantor (including, without limitation, any and all of its employees, directors, officers and other representatives), nor any of its affiliates or the funding sources for either, is a person or entity designated with whom we, or any of our affiliates, are prohibited by law from transacting business.

This guarantee will terminate upon the termination or expiration of the Franchise Agreement (unless, upon expiration of the scheduled term of the Franchise Agreement a new Franchise Agreement is signed for an extended term), except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such expiration or termination will 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 Franchise Agreement will remain in force according to their terms. Upon the death of any undersigned, the estate of such individual guarantor will be bound by this guarantee, but only for defaults and obligations under this guarantee existing at the time of death; and the obligations of the other undersigned guarantors will continue in full force and effect.

Unless specifically stated otherwise, the terms used in this guarantee will have the same meaning as in the Franchise Agreement and will be interpreted and construed in accordance with Section 18 of the Franchise Agreement. This guarantee will be interpreted and construed under the laws of the State of Georgia. In the event of any conflict of law, the laws of Georgia will prevail, without regard to, and without giving effect to, the application of the State of Georgia conflict of law rules. Nothing in this guarantee is intended by the parties to subject this guarantee to any franchise or similar law, rule or regulation of the State of Georgia or of any other state to which it would not otherwise be subject.

WAIVER OF JURY TRIAL: WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO ANY CLAIM, INCLUDING ANY COUNTERCLAIMS, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER YOU OR US AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

WAIVER OF PUNITIVE AND EXEMPLARY DAMAGES: WE AND YOU HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, EACH WILL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT.

Exhibit A – Franchise Agreement

Any and all notices required or permitted under this guarantee will be in writing and will be personally delivered in the manner provided under Section 14.11 of the Franchise Agreement.

IN WITNESS WHEREOF, the undersigned has signed this guarantee as of the Effective Date of the Franchise Agreement.

GUARANTOR(S)

EXHIBIT C

THE MAID BRIGADE, INC. DISCLOSURE DOCUMENT

CORPORATE ASSIGNMENT AGREEMENT

MAID BRIGADE, INC.

CORPORATE ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (the "Assignment") is made and entered into as of the ____ day of _____, 201__ (the "Effective Date"), by and among MAID BRIGADE, INC., a Delaware corporation with its principal place of business at Four Concourse Parkway, Suite 200, Atlanta, Georgia 30328 ("Franchisor"); _____, whose principal address is set forth in Schedule A to the Franchise Agreement (as described in the Recitals of this Assignment, below) ("Franchisee"); and _____, whose principal address is _____ ("Assignee").

W I T N E S S E T H:

WHEREAS, Franchisor and Franchisee are parties to that certain Maid Brigade Franchise Agreement dated as of the ____ day of _____, 201__ (the "Franchise Agreement"), which Franchise Agreement is incorporated herein by this reference and made a part hereof; and

WHEREAS, the Franchise Agreement granted Franchisee certain valuable rights in exchange for certain financial and performance obligations, which rights and obligations Franchisee desires to transfer to Assignee; and

WHEREAS, Assignee desires to be assigned such rights and to assume such obligations; and

WHEREAS, Franchisor desires to confer such rights on Assignee and to accept performance of such obligations from Assignee;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereby agree as follows:

1. **Definitions.** All terms used but not otherwise defined in this Assignment shall have the meanings set forth in the Franchise Agreement or Schedules thereto, as the context may require.
2. **Transfer.** Franchisee hereby transfers and assigns to Assignee, effective as of the Effective Date, all right, title, and interest of Franchisee in and to the Franchise Agreement and the Franchise set forth therein.
3. **Acceptance.** Assignee hereby accepts the transfer and assignment from Franchisee, effective as of the Effective Date, of all right, title, and interest of Franchisee in and to the Franchise Agreement and the Franchise granted therein, as set forth in Section 1 of this Assignment.
4. **Consent.** Franchisor hereby consents to the transfer and assignment to Assignee, effective as of the Effective Date, of all right, title, and interest of Franchisee in and to the Franchise

Agreement and the Franchise granted therein, as set forth in Section 1 of this Assignment, subject to the terms and conditions of this Assignment.

5. Joint and Several Liability. Franchisee and Assignee agree that as of the Effective Date, Franchisee and Assignee shall be jointly and severally liable for the observation and performance of all covenants and obligations owed to Franchisor under the Franchise Agreement. Nothing set forth in this Assignment shall be deemed or construed to relieve or release Franchisee from any of Franchisee's obligations set forth in the Franchise Agreement.

6. Covenants and Warranties of Assignee and Franchisee. Assignee and the Franchisee jointly and severally covenant and warrant that for so long as said Franchise Agreement remains in effect:

6.1 Franchisee and Assignee shall not, directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, sell, assign, transfer, convey, donate, pledge, mortgage, or otherwise encumber any shares of Assignee without first obtaining Franchisor's written consent.

6.2 Franchisee shall continue to own beneficially and to control the majority of the issued voting shares of Assignee. For the purposes of this Section 6 of this Assignment, "voting shares" shall include shares of any class or classes of stock, however designated, having ordinary voting power under all circumstances, the exercise of which voting power is not restrained by the existence of any agreement, whether written or oral.

6.3 Franchisee and Assignee shall not permit, without first obtaining Franchisor's written consent, any transfer or issue of any shares of the Assignee. In the event Franchisor grants such consent, Franchisee and Assignee shall cause the new shareholder duly to execute a written agreement with Franchisor undertaking to be bound by the restrictions on any change in control of Assignee and the covenants of non-competition and confidentiality set forth in the Franchise Agreement. On the appointment or election of any person as a director or officer of Assignee, Franchisee and Assignee shall cause such person to execute a written agreement with Franchisor, pursuant to which such person agrees to be bound by the covenants of non-competition and confidentiality set forth in the Franchise Agreement.

6.4 Assignee shall furnish to Franchisor, prior to the execution of this Assignment and forthwith on any and all transfers or issuances of shares of the Assignee, a list of all shareholders having an interest in Assignee, which list shall reflect: (i) the percentage interest of each shareholder; and (ii) the number of shares directly or indirectly owned or controlled by each such shareholder.

6.5 Except as set forth in the Franchise Agreement, Assignee will not use the Marks, or any name deceptively similar thereto, as part of its corporate name or trade name.

7. Further Covenants and Warranties of Assignee. Assignee further covenants and warrants that it will, at all times after the Effective Date, observe and perform each and all of the covenants and obligations of Franchisee set forth in the Franchise Agreement; including, without limiting the generality of the foregoing: (i) paying to Franchisor all sums to be paid by Franchisee set forth therein, including all initial franchise fees, Royalty and Service Fees, and Advertising Fees; and (ii) fulfilling the Local Advertising Requirement.

8. Limitation. Franchisor's consent set forth in this Assignment shall not be construed as a waiver by Franchisor of the necessity for its consent to any further assignment of the Franchise Agreement, which further assignment shall be effected only in accordance with the terms set forth in the Franchise Agreement.

9. Release. Franchisee and Assignee hereby release, remise, acquit, and forever discharge Franchisor and its directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertable in, or in any way related to the Franchise Agreement or this Assignment.

10. Transfer of Assets. Franchisee shall, as of the Effective Date, transfer to Assignee all of its right, title, and interest in and to its assets used in its Maid Brigade Franchised Business set forth in the Franchise Agreement.

11. Execution. This Assignment shall not be effective until executed and delivered by Franchisor.

12. Notices. All notices, requests, demands, or other communications to be delivered to the parties hereto shall be delivered in the same manner as described in the Franchise Agreement, with the Assignee's address for service as set forth in the caption of this Assignment.

13. Acknowledgment. Assignee acknowledges that it has received a copy of the Franchise Agreement and is familiar with, and agrees to abide by, the obligations on, and covenants of, Franchisee as set forth therein.

14. Relationship Between Agreements. If there is any conflict between the provisions of this Assignment and the Franchise Agreement, the provisions of this Assignment shall prevail.

15. Time. Time shall be of the essence in this Assignment.

16. Governing Law. This Assignment shall be governed by and construed in accordance with the internal laws of the State of Georgia, without reference to its choice of law principles.

17. Successors and Assigns. This Assignment shall inure to the benefit of Franchisor and its successors and assigns, and shall be binding on Franchisee, Assignee and their respective permitted successors, assigns, and legal representatives.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Assignment as of the Effective Date.

FRANCHISOR:

FRANCHISEE:

MAID BRIGADE, INC.

(Signature)

By: _____

John Barton Puett

(Print Name)

Its: President

ASSIGNEE:

By: _____

Its: _____

EXHIBIT D
THE MAID BRIGADE, INC. DISCLOSURE DOCUMENT
FINANCIAL STATEMENTS

Maid Brigade Inc
Profit & Loss
January through February 2020

	<u>Jan - Feb 20</u>
Ordinary Income/Expense	
Income	
6100 · ROYALTY INCOME	615,310.89
6200 · FRANCHISE SALES	87,759.54
6210 · NRC INCOME	50,752.26
6900 · OTHER INCOME	22,804.50
	<hr/>
Total Income	776,627.19
	<hr/>
Gross Profit	776,627.19
Expense	
8361 · INSURANCE	1,095.64
7100 · ROYALTY EXPENSE	3,978.71
7200 · FRANCHISE SALE EXPEN...	62,063.17
7300 · NRC EXPENSE	49,293.72
7900 · OTHER EXPENSE	19,885.00
8100 · FRANCHISE MARKETING	12,619.10
8120 · ACCOUNTING	25,175.00
8130 · FRANCHISE SUPPORT	50,217.67
8140 · EMPLOYEE BENEFITS	31,557.49
8150 · LEGAL	6,969.44
8160 · OFFICE EXPENSE	14,114.80
8190 · RENT	18,058.96
8300 · SALARIES	111,771.53
8320 · PAYROLL TAXES	19,398.79
8350 · COMMUNICATIONS	7,039.89
8380 · TRAVEL & MEETINGS	2,080.84
8400 · CONVENTION EXPENSE	3,750.00
8500 · PROJECT DEVELOPMENT	12,500.00
8950 · MISCELLANEOUS EXPENSE	15,572.79
9940 · 401K PLAN	1,410.00
	<hr/>
Total Expense	468,552.54
	<hr/>
Net Ordinary Income	308,074.65
	<hr/>
Net Income	<u><u>308,074.65</u></u>

Maid Brigade Inc
Balance Sheet
 As of February 29, 2020

	Feb 29, 20
ASSETS	
Current Assets	
Checking/Savings	
1000 · CHECKING ACCOUNTS	788,552.53
Total Checking/Savings	788,552.53
Accounts Receivable	
12101 · ACCOUNTS RECEIVABLE	196,060.51
Total Accounts Receivable	196,060.51
Other Current Assets	
1776 · Georgia Tax Credit	-23,440.35
Loan Receivable-Miami	140,076.62
1240 · MS Advertising-Deferred Cost	-1,179.88
12300 · A/R - SUBSIDIARIES	2,501.51
1500 · DUE FROM OFFICERS	11,310.62
1510 · INVENTORY - NRC	3,576.27
Total Other Current Assets	132,844.79
Total Current Assets	1,117,457.83
Fixed Assets	
2500 · FIXED ASSETS	311,150.27
2550 · ACCUMULATED DEPRECIATION	-153,577.75
Total Fixed Assets	157,572.52
Other Assets	
2850 · Deposit 2020 Sales	-85,650.00
23000 · N/REC - BD	3,103.62
24000 · N/REC - DEF	-3,103.62
2650 · INTANGIBLE ASSETS	-3,800.00
2800 · DEPOSITS	11,445.16
Total Other Assets	-78,004.84
TOTAL ASSETS	1,197,025.51
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
3100 · ACCOUNTS PAYABLE	209,975.85
Total Accounts Payable	209,975.85
Other Current Liabilities	
3501 · MS Advert. Match Payable	9,700.77
3301 · DEFERRED FRANCHISE FEE	-155,810.00
3300 · Deferred Rent Liability	69,256.13
3331 · ACCRUED INTEREST - AD FUND	272.83
3333 · AD FUND PAYABLE	40,691.70
3400 · OTHER CURRENT LIABILITIES	-34,166.40
3850 · DISTRIBUTIONS PAYABLE	811.00
4350 · ACCRUED PAYROLL TAXES	7,708.04
Total Other Current Liabilities	-61,535.93
Total Current Liabilities	148,439.92
Long Term Liabilities	
2900 · INVESTMENTS IN SUBSIDIARYS	122,000.00
Total Long Term Liabilities	122,000.00
Total Liabilities	270,439.92

3:43 PM
04/29/20
Accrual Basis

Maid Brigade Inc
Balance Sheet
As of February 29, 2020

	<u>Feb 29, 20</u>
Equity	
5902 · NRC INVESTMENT	-92,000.00
5100 · COMMON STOCK	6,899.00
5200 · ADDITIONAL PAID IN CAPITAL	40,000.00
5800 · SHAREHOLDERS DISTRIBUTION	-11,680,041.34
5900 · RETAINED EARNINGS	12,343,653.28
Net Income	308,074.65
Total Equity	<u>926,585.59</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,197,025.51</u></u>

Maid Brigade, Inc. and Subsidiary

Consolidated Financial Statements

December 31, 2019, 2018 and 2017





INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholders of
Maid Brigade, Inc.

We have audited the accompanying consolidated financial statements of Maid Brigade, Inc. and Subsidiary (collectively, the Company), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, the related consolidated statements of income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2019, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Maid Brigade, Inc. and Subsidiary as of December 31, 2019 and 2018, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2019 in accordance with accounting principles generally accepted in the United States of America.

BETTER TOGETHER

A Limited Liability Partnership of Certified Public Accountants & Consultants

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Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, the Company has changed its method of accounting for revenue from contracts with customers in 2019 due to the adoption of Topic 606: *Revenue from Contracts with Customers*.

Bennett Thrasher LLP

April 28, 2020

Maid Brigade, Inc.

Balance Sheets

December 31, 2019 and 2018

Assets	2019	2018
Current assets:		
Cash and cash equivalents	\$ 864,101	\$ 668,952
Accounts receivable	130,341	112,102
Inventory	<u>-</u>	<u>29,400</u>
Total current assets	994,442	810,454
Equity in Newland Holdings, LLC	-	75,974
Property and equipment, net	130,510	131,551
Notes receivable	48,717	7,054
Other assets	<u>3,046</u>	<u>11,445</u>
Total assets	<u>\$ 1,176,715</u>	<u>\$ 1,036,478</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 467,035	\$ 330,654
Accrued distributions	1,069	1,069
Current portion of capital leases	7,662	-
Deferred franchise fee - current	<u>47,600</u>	<u>-</u>
Total current liabilities	523,366	331,723
Deferred rent liability	17,309	37,666
Capital leases, net of current portion	21,040	-
Deferred franchise fees less current portion	<u>291,360</u>	<u>-</u>
Total liabilities	<u>853,075</u>	<u>369,389</u>
Commitments and contingencies (Note 3)		
Stockholders' equity:		
Common stock, no par value, 1,000 shares authorized, issued and outstanding	46,899	46,899
Retained earnings	<u>276,741</u>	<u>620,190</u>
Total stockholders' equity	<u>323,640</u>	<u>667,089</u>
Total liabilities and stockholders' equity	<u>\$ 1,176,715</u>	<u>\$ 1,036,478</u>

See accompanying notes to financial statements.

Maid Brigade, Inc.

Statements of Income

For the Years Ended December 31, 2019, 2018 and 2017

	2019	2018	2017
Revenues:			
Franchise and royalty fees	\$ 3,797,318	\$ 4,015,232	\$ 3,771,782
Product sales	340,297	443,771	522,604
Advertising fees	842,663	751,436	734,814
Other	<u>119,182</u>	<u>260,002</u>	<u>189,843</u>
Total revenues	5,099,460	5,470,441	5,219,043
Cost of sales	<u>675,018</u>	<u>888,326</u>	<u>937,621</u>
Gross profit	4,424,442	4,582,115	4,281,422
Selling, general and administrative expenses	<u>2,743,537</u>	<u>2,529,426</u>	<u>2,540,585</u>
Income from operations	1,680,905	2,052,689	1,740,837
Other, net	<u>127,664</u>	<u>7,583</u>	<u>4,921</u>
Net income	<u>\$ 1,553,241</u>	<u>\$ 2,045,106</u>	<u>\$ 1,735,916</u>

See accompanying notes to financial statements.

Maid Brigade, Inc.

Statements of Stockholders' Equity For the Years Ended December 31, 2019, 2018 and 2017

	<u>Common Stock</u>		<u>Retained Earnings</u>	<u>Total Stockholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>		
Balances at December 31, 2016	1,000	\$ 46,899	\$ 188,040	\$ 234,939
Net income	-	-	1,735,916	1,735,916
Distributions to shareholders	<u>-</u>	<u>-</u>	<u>(1,601,240)</u>	<u>(1,601,240)</u>
Balances at December 31, 2017	1,000	46,899	322,716	369,615
Net income	-	-	2,045,106	2,045,106
Distributions to shareholders	<u>-</u>	<u>-</u>	<u>(1,747,632)</u>	<u>(1,747,632)</u>
Balances at December 31, 2018	1,000	46,899	620,190	667,089
Change in accounting principle (Note 1)	-	-	(233,863)	(233,863)
Net income	-	-	1,553,241	1,553,241
Distributions to shareholders	<u>-</u>	<u>-</u>	<u>(1,662,827)</u>	<u>(1,662,827)</u>
Balances at December 31, 2019	<u>1,000</u>	<u>\$ 46,899</u>	<u>\$ 276,741</u>	<u>\$ 323,640</u>

See accompanying notes to financial statements.

Maid Brigade, Inc.

Statements of Cash Flows For the Years Ended December 31, 2019, 2018 and 2017

	2019	2018	2017
Cash flows from operating activities:			
Net income	\$ 1,553,241	\$ 2,045,106	\$ 1,735,916
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	64,463	40,303	32,593
Non-cash deferred rent	(20,357)	(17,287)	(14,303)
Equity in earnings of Newland Holdings, LLC	-	(48,513)	(42,661)
Non-cash franchise fee associated with note receivable	-	-	(7,054)
Changes in operating assets and liabilities:			
Accounts receivable	(18,239)	273	75,154
Inventory	29,400	42,473	3,637
Prepaid expenses and other current assets	-	6,344	32,005
Other assets	8,399	-	-
Accounts payable and accrued expenses	136,381	47,671	(13,708)
Deferred franchise fees	86,597	-	(15,490)
Net cash provided by operating activities	<u>1,839,885</u>	<u>2,116,370</u>	<u>1,786,089</u>
Cash flows from investing activities:			
Distribution from Newland Holdings, LLC	-	14,800	11,400
Proceeds from sale of interest in Newland Holdings, LLC	50,000		
Purchases of property and equipment	(33,331)	-	(60,000)
Net cash provided by (used in) investing activities	<u>16,669</u>	<u>14,800</u>	<u>(48,600)</u>
Cash flows from financing activities:			
Payments on notes receivable	2,811	-	-
Payments on capital lease obligations	(1,389)	-	-
Distributions to shareholders	(1,662,827)	(1,947,632)	(1,525,982)
Net cash used in financing activities	<u>(1,661,405)</u>	<u>(1,947,632)</u>	<u>(1,525,982)</u>
Increase in cash and cash equivalents	195,149	183,538	211,507
Cash and cash equivalents, beginning of the year	<u>668,952</u>	<u>485,414</u>	<u>273,907</u>
Cash and cash equivalents, end of the year	<u>\$ 864,101</u>	<u>\$ 668,952</u>	<u>\$ 485,414</u>
Supplemental Disclosure of Non-cash Investing and Financing Activities:			
Accrued distributions	<u>\$ 1,069</u>	<u>\$ 1,069</u>	<u>\$ 201,069</u>
Capital lease obligations incurred to purchase equipment	<u>\$ 30,091</u>	<u>\$ -</u>	<u>\$ -</u>
Note receivable from sale of interest in Newland Holdings, LLC	<u>\$ 25,974</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

Maid Brigade, Inc.

Notes to Financial Statements December 31, 2019 and 2018

Note 1: Description of Business and Summary of Significant Accounting Policies

Description of Business

Maid Brigade, Inc. (the Company) franchises light household cleaning businesses and offers proprietary and other household products under the name “Maid Brigade.” The Company was originally incorporated in the State of Delaware under the name of The Maid Brigade Systems, Inc. on February 8, 1982. The Company changed its name to Maid Brigade, Inc. on February 1, 2005. As of December 31, 2019 and 2018, the Company operated 366 and 375 outlets, respectively, in thirty-one states, Canada, and Saudi Arabia. Outlets are defined as individual franchised businesses that cover a specific territory as outlined in the franchise agreements. In 2012, the Company began offering “Maid Simple” franchises for which the Company performs certain administrative functions in return for a royalty ranging from 15-25%. In addition to the number of traditional franchise outlets, there were nine and ten “Maid Simple” franchises at December 31, 2019 and 2018, respectively. Substantially all revenues are derived from franchise royalties, sales of franchise rights, sales of cleaning products, printing and promotional items, and information systems and related services used in their operations.

During October 2016, the Company formed a joint venture, Newland Holdings, LLC (Newland), with a franchisee to purchase and operate a franchise outlet. The Company has a 50% non-controlling ownership interest and accounts for the joint venture using the equity method. During 2019, the Company sold its ownership interest in the joint venture.

During 2019, the Company assumed the operation of a franchisee in Miami, FL. No consideration was transferred, and the results of operations are included in other, net in the accompanying consolidated statements of income which included \$487,086 in revenue and \$602,580 in startup and operating expenses related to the franchised outlets in 2019.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States (GAAP). The consolidated financial statements include the accounts of Maid Brigade, Inc. and its wholly owned subsidiary, MB of Miami, LLC (collectively, the Company). All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Actual results could differ from those estimates.

Revenue and Cost Recognition

The principal sources of revenue for the Company are royalty fees, franchise fees, and related product sales.

The Company adopted the revenue recognition standards under Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606) at the beginning of 2019 using the modified retrospective method. The adoption of Topic 606 impacted the Company's accounting for initial fees charged to franchisees. In the past, the Company recognized initial franchise fees when all material services or conditions relating to the sale of the franchise had been substantially performed or satisfied by the Company, which was generally when a new franchise outlet opened. In accordance with the new guidance, the Company has determined that the initial franchise services are not distinct from the continuing rights or services offered during the term of the franchise agreement and should be treated as a single performance obligation. Therefore, initial fees received from franchisees will be recognized as revenue over the term of each respective franchise agreement. In the event a franchise agreement is terminated, any remaining deferred fees are recognized in the period of termination.

The Company receives an initial franchise fee as provided by the franchise agreement the Company enters into with franchisees. Upon execution of a franchise agreement, the franchise fee is due in full. Franchise fees generally include assisting in site selection, providing the initial inventory or cleaning supplies and cleaning equipment, training personnel, and assisting in the implementation and maintenance of operations and accounting systems. Franchise fees vary based on the number of "Qualified Households" as defined in the franchise agreement. Franchise fees are recognized ratably in income over the term of the franchise agreement which is typically 10 years pursuant to Topic 606. Previously, the Company recognized initial franchise fees when all material services or conditions relating to the sale of the franchise had been substantially performed or satisfied by the Company, which was generally when a new franchise outlet opened. At December 31, 2019, there was \$338,960 in unearned revenues relating to franchises sold for which the Company must provide future services. Such unearned revenues are included in deferred franchise fees in the accompanying consolidated balance sheets.

The agreement is renewable upon execution of the current franchise agreement subject to a renewal fee, as defined. The Company provides the use of the Maid Brigade trademarks, system, training, pre-opening assistance, and operating assistance in exchange for the initial franchise fee and royalty fees ranging from the greater of 3.5% to 6.9% of gross sales or a required minimum fee, as defined within the individual franchise agreements. Franchise royalties are accrued as earned and are calculated each period, weekly, based on a percentage of outlet sales, as defined.

Product sales are primarily comprised of cleaning chemicals, supplies, equipment, office supplies, and miscellaneous materials that are sold to franchised businesses and are recognized as revenue upon shipment of the related products.

Advertising fees are charged to franchisees based on a specified percentage of gross sales (up to 2%) as defined in the individual franchise agreements. Advertising fees are used for marketing and advertising efforts throughout the system as required by the franchise agreement and are recorded gross in the accompanying consolidated statements of income. The adoption of Topic 606 did not impact the Company's previous recognition of advertising fees.

Included in other revenues are technology and franchise transfer fees pursuant to the individual franchise agreements. Transfer fees are recognized upon execution of transfer agreements and technology fees are recognized as earned.

Cost of sales includes the cost of materials, adjusted for periodic inventory valuations, and direct costs associated with franchise support. Operating expenses are charged to expense as incurred.

Franchise Operations

The Company enters into franchise agreements with unrelated third parties to operate household cleaning businesses using a Company brand within a defined geographical area. The Company believes that franchising is an effective and efficient means to expand the Maid Brigade brand. The franchisee is required to operate their business in compliance with a franchise agreement that includes adherence to operating and quality control procedures established by the Company. If a franchisee becomes financially distressed, the Company generally does not provide any financial assistance. If financial distress leads to a franchisee's noncompliance with the franchise agreement and the Company elects to terminate the franchise agreement, the Company has the right but not the obligation to acquire the assets of the franchisee at fair value as determined by an independent appraiser. The Company has financial exposure for the collection of the royalty payments. Franchisees generally remit royalty payments weekly for the prior week's sales, which substantially minimizes the Company's financial exposure or at least enables the Company to quickly identify any troubled franchisees. Franchise fees are paid upon the signing of the related agreements.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with maturities of three months or less at the date of purchase. These investments are carried at cost, which approximates fair value. At times, cash and cash equivalent balances may exceed federally insured amounts. The Company mitigates its risks by depositing cash and investing in cash equivalents with major financial institutions.

Accounts Receivable

Substantially all accounts receivable are due from franchisees for royalties or product sales. Credit is extended based on an evaluation of the franchisee's financial condition and, generally, collateral is not required. A reserve for uncollectible accounts is established as deemed necessary based upon overall accounts receivable aging levels and a specific review of accounts for franchisees or other customers with known financial difficulties. Losses are charged off to the reserve when management deems further collection efforts will not produce additional recoveries. The Company considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Inventory

Inventory is stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method. Inventory primarily consisted of resale cleaning and equipment products and totaled \$29,400 at December 31, 2018. During 2019, the Company is utilizing on-line retailers to source products and therefore has reduced the carrying amount of inventory.

Investment in Joint Venture

The Company's investment in Newland is accounted for under the equity method, as the Company does not exert control over Newland. The investment in Newland is stated at cost, as adjusted for the Company's equity in earnings and losses of Newland, increased for capital contributions and reduced for capital withdrawals by the Company. The Company's share of losses of Newland is not recognized beyond the point at which the investment is reduced to zero, unless the Company is further obligated to support the operations of the investee. During 2018 and 2017, the activity of Newland resulted in \$48,513 and \$42,661 of equity in earnings, respectively, which is included in other income in the accompanying statements of income. During 2019, the Company sold its ownership interest in Newland and received \$50,000 in cash and a note receivable in the amount of \$25,974 which is included in notes receivable in the accompanying consolidated balance sheets.

Condensed unaudited balance sheets of the investment are summarized as follows:

	2018	2017
Total assets	\$ <u>69,387</u>	\$ <u>90,502</u>
Total liabilities	\$ 28,282	\$ 16,822
Total equity	<u>41,105</u>	<u>73,680</u>
Total liabilities and equity	\$ <u>69,387</u>	\$ <u>90,502</u>

Condensed unaudited income statements of the investment are summarized as follows:

	2018	2017
Total Income	\$ 458,181	\$ 478,750
Administrative expenses	42,934	44,494
Overhead expenses	86,086	83,922
Servicing expenses	<u>232,135</u>	<u>265,011</u>
Total expenses	<u>361,155</u>	<u>393,427</u>
Net income	\$ <u>97,026</u>	\$ <u>85,323</u>

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is primarily provided using the straight-line method over the estimated useful lives of the assets (generally two to three years for computers and software and five years for furniture and other equipment). Leasehold improvements are amortized using the straight-line method over the lesser of the term of the lease, without consideration of renewal options, or the estimated useful lives of the assets. Maintenance and repairs are expensed as incurred. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the respective accounts and the related gains or losses are credited or charged to earnings.

Website Development Costs

The Company capitalized the costs of developing the Company's website, which primarily included external direct costs for related development services. The Company amortizes these costs over the estimated useful life of three years, beginning when the website is ready for its intended use. Costs associated with developing the Company's website are expensed until the point at which the project has reached the development stage. Subsequent additions, modifications or upgrades to the Company's website are capitalized only to the extent that they allow the website to perform a task it previously did not perform. Website maintenance and training costs are expensed in the period in which they are incurred.

At December 31, 2018, capitalized website development costs totaled \$74,998, less accumulated amortization of \$74,998. Amortization expenses totaled \$21,875 and \$24,999 for the years ended December 31, 2018 and 2017, respectively.

Note Receivable

In limited situations, the Company may offer financing of the initial franchise fees. The notes receivable for franchise fees included on the accompanying balance sheets at December 31, 2019 and 2018 are receivable in monthly installments over 36-month periods ending September 2020, November 2020, and October 2022, respectively. No interest is applied to the loans unless the franchisee misses a payment, in which case the Company will charge a 10% penalty and interest rate of 9%. As of the years ended December 31, 2019 and 2018, notes receivable related to initial franchise fees totaled \$22,743 and \$7,054, respectively and are included in notes receivable in the accompanying consolidated balance sheets. As of the years ended December 31, 2019 and 2018 the franchisees were not required to pay interest.

Deferred Franchise Fees

Deferred franchise fees consist primarily of initial franchise fees received for which the Company has not substantially performed or satisfied all material services or conditions related to the sale of the franchise.

Impairment of Long-Lived Assets

The recoverability of long-lived assets is evaluated if impairment indicators exist. Indicators of impairment include historical financial performance, operating trends, and future operating plans. If impairment indicators exist, the Company evaluates the recoverability of long-lived assets on an operating unit basis based on undiscounted expected future cash flows before interest for the expected remaining useful life of the operating unit. Recorded values for long-lived assets that are not expected to be recovered through undiscounted future cash flows are written down to current fair value, which is generally determined from estimated discounted future net cash flows for assets held for use or estimated net realizable value for assets held for sale. In the opinion of management, no long-lived assets were deemed to be impaired at December 31, 2019 and 2018.

Leases

The Company recognizes rent expense on a straight-line basis over the expected lease term. Differences between amounts paid and amounts expensed are recorded as deferred rent. Within the provisions of certain leases, there are rent holidays and fixed escalations in payments over the base lease term, as well as renewal periods. The effects of the holidays and escalations have been reflected in selling, general and administrative expenses on a straight-line basis over the expected lease term.

Advertising Fund

The Company maintains a system-wide Advertising Fund (Advertising Fund). The Advertising Fund is responsible for developing and conducting marketing and advertising for the Maid Brigade system. Franchised outlets are required to remit a designated percentage of gross sales (up to 2%) to the Advertising Fund, which is included in the accompanying financial statements as advertising fees when determinable. In addition, the Advertising Fund receives digital service fees from franchised outlets for the placement of social media and other direct marketing advertisements which are included in the accompanying financial statements as advertising fees. Advertising obligations are accrued and the costs are expensed at the same time the related revenue is recognized. Advertising expense for the years ended December 31, 2019, 2018, and 2017 was \$893,797, \$798,539, and \$788,794, respectively, and is included in selling, general and administrative expenses in the accompanying statements of income. Advertising expense includes \$842,663, \$751,436, and \$734,814 of expense related to the Advertising Fund for the years ended December 31, 2019, 2018, and 2017, respectively.

As of December 31, 2019 and 2018, the Company recorded a liability of \$269,138 and \$186,327, respectively, related to net excess contributions to the Advertising Fund which is included as a component of accounts payable and accrued expenses in the accompanying balance sheets.

Income Taxes

The Company has elected to be treated as an S corporation under the Internal Revenue Code. Under this election, the taxable income of the Company is allocated to its stockholders, in proportion to their ownership. Accordingly, these financial statements include no provision for income taxes. MB of Miami, LLC is treated as a disregarded entity and the operations are included in the return of the Company.

The Company has adopted the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, *Income Taxes*. FASB ASC 740 requires that a tax position be recognized or derecognized on a “more-likely-than-not” threshold. This applies to positions taken or expected to be taken in a tax return including determining the appropriate entity classification. The Company does not believe its financial statements include any material uncertain tax positions. The Company files income tax returns in the Federal jurisdiction, and various state jurisdictions. With few exceptions, the Company is no longer subject to Federal and state income tax examinations by tax authorities for years prior to 2016.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), to provide principles within a single framework for revenue recognition of transactions involving contracts with customers across all industries. The standard has been codified as ASC 606. On January 1, 2019, the Company adopted ASC 606 using the modified retrospective transition method.

The Company recognized the cumulative effect of initially applying ASC 606 as an adjustment to the opening balances of retained earnings in the accompanying consolidated statement of changes in stockholders’ equity. The fiscal 2018 comparative information has not been restated and continues to be reported under accounting standards in effect for those periods.

The Company has determined that the franchise fee revenue recognized under previous guidance does not relate to separate and distinct performance obligations from the franchise right and those upfront fees will therefore be recognized as revenue over the term of each respective franchise agreement, which is typically 10 years. In the past, the Company recognized such fees as revenue when the franchised store opened. An adjustment to beginning member’s equity and a corresponding deferred revenue amount of \$233,863 was established on the date of adoption associated with the fees received through December 31, 2018 that would have deferred and recognized over the term of each respective franchise agreement if the new guidance had been applied in the past.

The cumulative effects of the changes made to the Company’s consolidated balance sheet as of January 1, 2019 for the adoption of ASC 606 were as follows:

	As of December 31, 2018	Adjustments Due to ASC 606	As of January 1, 2019
Liabilities:			
Deferred franchise fees - current	\$ -	\$ (41,100)	\$ (41,100)
Deferred revenue, less current portion	-	(192,763)	(192,763)
Stockholders' equity:			
Retained earnings	620,190	(233,863)	386,327

In February 2016, the FASB issued ASU 2016-02, *Leases*. ASU 2016-02 requires that lease arrangements longer than 12 months result in an entity recognizing an asset and liability. The updated guidance is effective for annual periods beginning after December 15, 2020. The Company is currently evaluating the effect that implementation of the new standard will have on its consolidated financial position, results of operations, and cash flows.

Subsequent Events

COVID-19 Disruption

In March 2020, the World Health Organization officially designated COVID-19 as a pandemic, and as a result, businesses across the world have had to take steps to protect their employees and employees of companies with whom they do business. The associated business disruption has ranged from limited to significant, depending on the nature of the business being impacted. Management believes the primary impact to its business is the potential instability of the franchise system resulting from the required modified operating hours and household restrictions. The resulting decreased revenues for all of the outlets in the system may have a significant impact on the ability of franchisees to continue to operate profitably for some period of time. This may impact the Company's royalty revenue stream and could also cause some franchisees to be unable to pay even the reduced royalty obligations. In addition, there will continue to be varying levels of disruption in the workforce, the supply chain, and the overall economy, which may indirectly affect the Company and its franchisees in business matters including working capital, continued availability of credit, and overall household cleanings. While the disruption is currently expected to be temporary, there is uncertainty around the duration. While the Company expects that this matter may negatively impact results, the related impact to the Company's financial position, results of operations, and cash flows cannot be reasonably estimated at this time. There have been no adjustments to these financial statements related to these matters.

The Company has evaluated for subsequent events between the balance sheet date of December 31, 2019 and the date of the report, the date the financial statements were available for issuance, and has concluded that all subsequent events requiring recognition or disclosure have been incorporated into these consolidated financial statements.

Note 2: Property and Equipment

Property and equipment consisted of the following at December 31:

	2019	2018
Computers and software	\$ 252,033	\$ 252,033
Leasehold improvements	33,889	33,889
Furniture and other equipment	<u>88,651</u>	<u>25,229</u>
	374,573	311,151
Less accumulated depreciation and amortization	<u>(244,063)</u>	<u>(179,600)</u>
	<u>\$ 130,510</u>	<u>\$ 131,551</u>

Depreciation and amortization expense associated with property and equipment totaled \$64,463, \$18,428, and \$7,594 for the years ended December 31, 2019, 2018 and 2017, respectively.

Note 3: Commitments and Contingencies

Operating Leases

The Company leases its operating facilities and certain equipment under non-cancellable agreements accounted for as operating leases. The Company's corporate office lease expired in May 2015 and was extended for an additional sixty-four month term expiring in September 2020 pursuant to the revised lease agreement. The Company assumed an operating lease associated with the Company's Miami operations which expires in 2021.

Future minimum payments under operating leases with initial terms of one year or more at December 31, 2019 are as follows:

Year Ending December 31,	
2020	\$ 109,156
2021	<u>14,244</u>
	<u>\$ 123,400</u>

Rent expense under operating leases totaled \$104,509, \$119,896, and \$147,645 for the years ended December 31, 2019, 2018 and 2017, respectively, and is included in selling, general and administrative expenses in the accompanying statements of income.

Capital Leases

The Company leases certain equipment under capital leases related to Miami operations. Property under capital lease arrangements had a cost of \$30,091 and accumulated depreciation of \$7,328 as of December 31, 2019. As of December 31, 2019, future minimum payments are as follows:

Year ending December 31,	
2020	\$ 8,131
2021	8,131
2022	7,667
2023	4,879
2024	<u>1,659</u>
	30,467
Less: amount representing interest	<u>(1,765)</u>
	28,702
Less: present value of current portion of minimum lease payments	<u>(7,662)</u>
Long-term portion of present value of minimum lease payments	<u>\$ 21,040</u>

Litigation

The Company is subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or results of operations of the Company. Management is currently not aware of any such potential claims or legal proceedings.

Note 4: Related Party

The Company's stockholders also own MB Field Services, Inc. (MBFS), an affiliated company which provides mortgage field services. In the ordinary course of business, the Company and MBFS pay expenses for each other, which are later reimbursed. Certain costs incurred by the Company have been allocated to MBFS on a pro-rata basis. At December 31, 2019 and 2018, the Company had a receivable from MBFS of \$8,150 and \$7,210, respectively, which is included in accounts receivable in the accompanying balance sheets.

During 2012, the Company renegotiated its lease agreement to obtain additional office space which was occupied by MBFS through an informal sublease arrangement which was continued with the revised lease agreement (Note 3). Under the arrangement, the Company is to receive payment at the rate per square foot included in the Company's lease agreement for the space occupied by MBFS. The amount received through this arrangement was \$0, \$6,800, and \$18,000 for 2019, 2018 and 2017, respectively, and is included as a component of other revenues in the accompanying statements of income.

Note 5: Retirement Plans

The Company has a 401(k) savings plan (the Plan) which covers substantially all United States employees who have attained the age of 21. Eligible employees make voluntary contributions to the Plan up to a specified percentage of their annual compensation as defined in the Plan.

Under the Plan, the Company makes discretionary matching contributions determinable each plan year. The Plan also allows additional profit-sharing contributions based on Company financial performance and annual eligible compensation for each participant. The Company made contributions totaling approximately \$49,000, \$41,000, and \$42,000 for the years ended December 31, 2019, 2018 and 2017, respectively.

* * * * *

EXHIBIT E

THE MAID BRIGADE, INC. DISCLOSURE DOCUMENT

**LIST OF
FRANCHISEES
AND
FORMER FRANCHISEES**

EXHIBIT E-1
MAID BRIGADE FRANCHISEES
As of December 31, 2019

	<u>Phone Number</u>	<u>Number of Franchised Territories</u>
ARIZONA		
Terry Dabreo 201 W Guadalupe Rd. Gilbert, AZ 85233 tdabreo@maidbrigade.com	(480) 926-3288	6
Alan Walstad, Brian, Dick and Bonnie Grummell 15810 N Cave Creek Rd Phoenix, AZ 85032 awalstad@maidbrigade.com	(602) 493-1333	6
CALIFORNIA		
Michael and Sarah Rukavina 4411 Dupont Ct. Suite 110 Ventura, CA 93003 mrukavina@maidbrigade.com ; srukavina@maidbrigade.com	(805) 389-3275	7
Stephanie Harris 16 Technology Drive. Irvine, CA 92618 sharris@maidbrigade.com	(949) 788-0878	8
Jimmy and Christina Chick 7447 N. Figueroa Street. Los Angeles, CA 90041 jchick@maidbrigade.com ; cchick@maidbrigade.com	(323) 254-6240	7
Randy and Daria Roth 105 Copperwood Way, Suite K Oceanside, CA 92054 droth@maidbrigade.com	(760) 966-1750	5
Gabie Reiter 1474 Oddstad Drive Redwood City, CA 94063 gabiereiter@maidbrigade.com	(650) 368-2105	7
Maneesh Reddy 3745 Madeline Avenue, Suite 21 San Jose, CA 95127 mreddy@maidbrigade.com	(408) 729-0707	8

Dennis Dwyer (310) 539-2000 2
25660 Crenshaw Blvd, Ste 106
Torrance, CA 90505
ddwyer@maidbrigade.com

COLORADO

Vince and Jackie Asti (303) 287-2630 3
8801 Fox Dr.
Thornton, CO 80260
vasti@maidbrigade.com

CONNECTICUT

Ann Bobbitt and Dan Kehoe (860) 645-6243 2
195 Adams Street
Manchester, CT 06042
abobbitt@maidbrigade.com

Brian Leary (203) 735-9988 6
111 New Haven Avenue
Derby, CT 06418
bleary@maidbrigade.com

FLORIDA

Maid Brigade of Fort Myers (239) 466-6243 4
17240 South Tamiami Trail #8
Fort Myers, FL 33908
gnicklas@maidbrigade.com

J Archer (904) 886-7415 6
3491 Pall Mall Road
Jacksonville, FL 32257
fsuarez@maidbrigade.com

Maid Brigade of Miami (305) 430-6243 14
5951 NW 173rd Dr
Hialeah, FL 33015
gnicklas@maidbrigade.com

Jenni Nelson (239) 384-6775 1
3785 Airport-Pulling Rd. Suite B2
Naples, FL 34105
jnelson@maidbrigade.com

William and Carrie Knight (813) 932-9777 2
14809 N Florida Ave
Tampa, FL 33613
cknight@maidbrigade.com

GEORGIA

Claudia Wright and Carolyn Kennedy (770)234-0034 14
3070 Presidential Drive #242
Atlanta, GA 30340
cwright@maidbrigade.com

Janice Williams (706) 565-0172 1
2901 University Ave
Columbus, GA 31907
wwilliams@maidbrigade.com

Judy Crawford (770) 794-7299 4
2440 Sandy Plains Rd.
Marietta, GA 30066
jcrawford@maidbrigade.com

HAWAII

Colin Miyabara (808) 524-7788 5
866 Iwilei Rd
Suite 201
Honolulu, HI 96817
cmiyabara@maidbrigade.com

IDAHO

Russ Biaggne (208) 685-0639 2
5250 W Chinden Blvd
Bosie, ID 83714
morem@maidbrigade.com

ILLINOIS

Chuck Willes (847) 253-2270 5
1845 Hicks Road
Rolling Meadows, IL 60008
cwilles@maidbrigade.com

Jeff and Ann Bartel (630) 830-1550 3
850 West Bartlett Rd
Bartlett, IL 60103
jbartel@maidbrigade.com

Andris Slokenbergs (630) 231-6243 4
245 W Roosevelt Rd, Bldg 9 Ste 65
West Chicago, IL 60185
aslokenbergs@maidbrigade.com

INDIANA

Lincoln Pagel (317) 781-6243 3
5230 Madison Avenue #B

Indianapolis, IN 46227
lpagel@maidbrigade.com

KENTUCKY

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634 Brookgreen Lane
Lexington, KY 40509
lfraher@maidbrigade.com

MARYLAND

Rachel Epperly (301) 698-9204 1
178 Thomas Johnson Drive #202-L
Frederick, MD 21702
repperly@maidbrigade.com

Pat Santelices (301) 946-5500 3
3855 Farragut Avenue
Kensington, MD 20895-2004
psantelices@maidbrigade.com

Rachel & Duane Epperly (301) 424-6243 6
9318 Gaither Road
Rockville, MD 20877
repperly@maidbrigade.com

MICHIGAN

Ken and Elizabeth Whitley (586) 286-6074 2
42657 Garfield Road #220
Clinton Township, MI 48038
kwhitley@maidbrigade.com

MINNESOTA

Quentin Ritchie (651) 686-0900 13
149 Thompson Ave. E
St. Paul, MN 55118
qritchie@maidbrigade.com

MISSOURI

Matt and Mary Kinsella (314) 696-5530 4
2201 S Brentwood Blvd
Saint Louis, MO 63144
mkinsella@maidbrigade.com

NEBRASKA

Al and Julie Monaco (402) 991-9652 2
7805 L Street Suite 160
Omaha, NE 68127
amonaco@maidbrigade.com

NEVADA

Brandon and Darlene Cross (702) 324-4725 3
3275 West Ali Baba Lane
Las Vegas, NV 89118
bcross@maidbrigade.com

Val and Paige Gersting (702) 947-6243 3
1641 E Sunset
Las Vegas, NV 89119
vgersting@maidbrigade.com

NEW JERSEY

Mary Ann Schmidt and Jessica Ferino (732) 617-5921 1
253 Route 79,
Morganville, NJ 07751
mschmidt@maidbrigade.com
jschmidt@maidbrigade.com

Sanders Mishkin (908) 735-5784 1
291 Quakertown Rd
Quakertown, NJ 08867
smishkin@maidbrigade.com

John and Lynn Lomer (201) 664-4422 2
123 Woodlands Ave
Westwood, NJ 07675
jlomer@maidbrigade.com

NEW MEXICO

Joanna Silva (505) 266-1300 3
1111 Alameda Blvd NW #C
Albuquerque, NM 87114
jsilva@maidbrigade.com

NEW YORK

Rob Lawrence (516) 931-6243 7
246 West Old Country Road
Hicksville, NY 11801
rlawrence@maidbrigade.com

Kathy Hall (716) 236-0699 1
2065 River Rd
Niagara Falls, NY 14304
khall@maidbrigade.com

Robin Murphy (914) 741-0552 16
101 Bedford Road,

Chappaqua, NY 10514
rmurphy@maidbrigade.com

Robert LoFranco (631) 471-6245 3
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Ronkonkoma, NY 11779
rfranco@maidbrigade.com

Michael Elias (516) 867-6243 2
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Freeport, NY 11520
melias@maidbrigade.com

NORTH CAROLINA

Marc Titlebaum (704) 568-0028 7
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Matthews, NC 28105
mtitlebaum@maidbrigade.com

Bradley Zohn (919) 877-1050 1
2617 Rowland Rd
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bzohn@maidbrigade.com

OHIO

Ray and Margie Toombs (330) 453-6000 4
1506 Whipple Ave. NW
Canton, OH 44708
mtoombs@maidbrigade.com

OKLAHOMA

Dennis Haddock (918) 664-6243 4
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Tulsa, OK 74129
dhaddock@maidbrigade.com

OREGON

Lisa Flood (503) 492-0197 4
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Gresham, OR 97030
lflood@maidbrigade.com

Mark Brands (503) 624-3935 4
7390 SW Bonita,
Portland, OR 97224
jthielen@maidbrigade.com

PENNSYLVANIA

John Hollyday 1609 Lehigh St Allentown, PA 18103 jhollyday@maidbrigade.com	(610) 791-9411	2
John Hollyday 349 Jefferson Ave #12 Bristol, PA 19007 jhollyday@maidbrigade.com	(215) 826-9550	4
Matt Motyka 313 West Liberty Street Lancaster, PA 17603 mmotyka@maidbrigade.com	(717) 738-3857	2
Tony Shah and Abraham Kurian 107E East Glenside Avenue Glenside, PA 19038 tshah@maidbrigade.com	(215) 572-9551	4
<u>SOUTH CAROLINA</u>		
Marc Titlebaum 1941 Savage Road Charleston, SC 29407 mtitlebaum@maidbrigade.com	(843) 766-6243	3
<u>TENNESSEE</u>		
Kahle and Moses Madera 111 Center Park Drive Suite 184 Knoxville, TN 37834 kmadera@maidbrigade.com	(865) 978-5555	1
John and Robin Roberts 2710 Old Lebanon Pike Nashville, TN 37214 jroberts@maidbrigade.com	(615) 889-7740	6
<u>TEXAS</u>		
Jose Flores 9705 Burnet Rd. Austin, TX 78758 jflores@maidbrigade.com	(512) 832-8651	2
Keith Clem 3851 Southwest Loop # 820 Fort Worth, TX 76133 kclem@maidbrigade.com	(817) 263-9300	4

Sue Darwin 632 – A W. Bedford Euleess Road Hurst, TX 76053 sdarwin@maidbrigade.com	(817) 285-0800	2
Jack and Janet Calkins 15255 Gulf Freeway Houston, TX 77034 jcalkins@maidbrigade.com	(281) 464-6243	2
James and Susan Fordice 9215 Solon Road, Suite D4 Houston, TX 77064 jfordice@maidbrigade.com	(281) 469-3939	2
Robert Moser 5320 Gulfpton Suite 18 Houston, TX 77081 rmoser@maidbrigade.com	(713) 271-3110	9
Angela McCall 910 18th Street Plano, TX 75074 amccall@maidbrigade.com	(972) 422-0029	13
Richard & Estella Journey 1001 Pruitt Rd The Woodlands, TX 77380 rjourney@maidbrigade.com	(281) 363-0022	5
Jose Flores 9906 San Pedro Ave San Antonio, TX 78216 jflores@maidbrigade.com	(210) 424-0166	3
<u>VIRGINIA</u>		
Pete & Stacia Glavas 4813-A Eisenhower Avenue Alexandria, VA 22304 pglavas@maidbrigade.com	(703) 823-1726	32
Gary Best 3892 Clifton Manor Place Haymarket, VA 20169 gbest@maidbrigade.com	(703) 754-3635	2
Brian and Annette Sklar 4104 E Parham Road	(804) 355-6263	4

Richmond, VA 23228
bsklar@maidbrigade.com

Dave Newland 24315 Gum Spring Rd Sterling, VA 20166 dnewland@maidbrigade.com	(703) 661-6464	6
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WASHINGTON

Clark Eccles 201 S.W. 41st Street Renton, WA 98055 ceccles@maidbrigade.com	(425) 251-5013	3
--	----------------	---

Mark and Marisa Harding 17229 15 th Avenue NE Seattle, WA 98155 mark.harding@maidbrigade.com ; marisa.harding@maidbrigade.com	(206) 362-8439	7
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John and Gerrie Chiarella 3110 NE Minnehaha St., Suite F Vancouver, WA 98663 jchiarella@maidbrigade.com	(360) 694-7505	2
--	----------------	---

Cathy Grefsrud 17710 134th Ave. Woodinville, WA 98072 cgrefsrud@maidbrigade.com	(206) 487-2367	3
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Cathy Grefsrud Sammamish, WA 98074		1
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WISCONSIN

Mary Ellen Hoffmann 1966 South 4th Street Milwaukee, WI 53204 mhoffmann@maidbrigade.com	(414) 384-4620	4
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In the list of franchises in this Exhibit, as in the charts in Item 20, we count each part of a territory containing 25,000 qualified households as one franchise, so that a franchise territory containing 100,000 qualified households would count as four franchises.

EXHIBIT E-2
FRANCHISEES WHO LEFT THE SYSTEM IN 2019

Hector Fernandez (Transfer) 1474 Oddstad Drive Redwood City, CA 94063 hfernandez@maidbrigade.com	(650) 368-2105	7
Fernando Suarez (Transferred to Franchisor) 5951 NW 173 rd Dr, Ste 3 Miami Lakes, FL 33015 fsuarez@maidbrigade.com	(305) 430-6243	14
Fernando Suarez (Transferred to Franchisor) 17240 South Tamiami Trail #8 Fort Myers, FL 33908 fsuarez@maidbrigade.com	(239)466-6274	4
Peter Todd and Jeff Hostetter (Transfer) 24 Orange Street Ephrata, PA 17522 ptodd@maidbrigade.com	(717) 738-3857	2
George and Lynne Denlinger and Karen Longnecker 901 South Bolmar St #A West Chester, PA 19382 gdenlinger@maidbrigade.com	(610) 692-8006	6
Pat Evans and Steffonie Baxter (Transfer) 704 228 th Ave NE Sammamish, WA 98074 sbaxter@maidbrigade.com	(425) 836-4649	1

EXHIBIT F

THE MAID BRIGADE, INC. DISCLOSURE DOCUMENT

STATEMENT OF PROSPECTIVE FRANCHISEES

MAID BRIGADE, INC.

STATEMENT OF PROSPECTIVE FRANCHISEES

- A. The following dates are true and accurate:
- (1) _____, 201__
Initials _____
The date of my first face-to-face meeting with a Maid Brigade representative to discuss the possible purchase of a Maid Brigade franchise.
 - (2) _____, 201__
Initials _____
The date that I received the Disclosure Document disclosing facts related to the Maid Brigade franchise opportunity.
 - (3) _____, 201__
Initials _____
The date that I received a fully-completed, unsigned copy of the Maid Brigade, Inc. Franchise Agreement I later signed.
 - (4) _____, 201__
Initials _____
The earliest date that I signed the Maid Brigade, Inc. Franchise Agreement or any other binding document.
 - (5) _____, 201__
Initials _____
The earliest date that I delivered cash, check, or other consideration to a Maid Brigade representative.

The following are applicable to all prospective franchisees except B.(3) and B.(4) are not applicable to those in the State of Illinois:

- B. Representations:
- (1) No promises, agreements, contracts, commitments, representations, understandings, "side deals," options, rights-of-first-refusal, or otherwise have been made to or with me with respect to any matter nor have I relied in any way on any of the foregoing in purchasing a Maid Brigade franchise, except as explicitly set forth in the Franchise Agreement.

Initials: _____
 - (2) No oral, written, or visual claim or representation, promise, agreement, commitment, understanding, or otherwise was made to me by any person or entity that contradicted, expanded on, or was inconsistent with the Maid Brigade, Inc. Franchise Disclosure Document or the Franchise Agreement.

Initials: _____
 - (3) No oral, written, visual, or other claim or representation, which stated or suggested any specific level or range of actual or potential sales, costs, income, expenses, profits, cash

flow, tax effects or otherwise, was made to me by any person or entity with respect to a Maid Brigade franchise.

Initials: _____

- (4) No contingency, condition, prerequisite, provision, reservation, stipulation, or otherwise exists with respect to any matter or with respect to my fully performing all of my obligations under the Franchise Agreement and any other documents to be executed by me, nor have I relied in any way on any of the foregoing, except as explicitly set forth in the Franchise Agreement.

Initials: .

I understand and acknowledge that Maid Brigade, Inc. does not make, nor does it allow any marketing representative or other individual to make, any oral, written, visual, or other claim or representation that states or suggests any specific level or range of actual or potential sales, costs, income, expenses, profits, cash flow, tax effects, or otherwise with respect to a Maid Brigade Franchise.

In addition, I understand and acknowledge that Maid Brigade, Inc. does not permit any promises, agreements, contracts, commitments, representations, understandings, "side deals," options, rights-of-first-refusal, or otherwise; or variations of, changes in, or supplements to the Franchise Agreement or the existence of any contingencies or conditions to the Franchisee's obligations except by means of a written Addendum signed by the Franchisee and a corporate officer of Maid Brigade, Inc.

The prospective Franchisee understands and agrees to all of the foregoing and certifies that all of the above statements are true, accurate, and complete.

APPROVED:

PROSPECTIVE FRANCHISEE(S):

MAID BRIGADE, INC.

(Signature)

By: _____

John Barton Puett

(Print Name)

Its: President

_____, 202__

(Date)

EXHIBIT G

THE MAID BRIGADE, INC. DISCLOSURE DOCUMENT

CONFIDENTIAL OPERATIONS MANUAL

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CONFIDENTIAL OPERATIONS MANUAL - TABLE OF CONTENTS

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EXHIBIT H

THE MAID BRIGADE, INC. DISCLOSURE DOCUMENT

Form of General Release

GENERAL RELEASE

THIS GENERAL RELEASE OF LIABILITY is dated and effective _____, _____ (“Effective Date”) by and among Maid Brigade, Inc., a Delaware corporation, (“Franchisor”) and _____, an individual residing at _____, or a _____ corporation (“Franchisee”).

WHEREAS, Franchisor and Franchisee entered into that certain Franchise Agreement, dated _____, _____, (“Franchise Agreement”) for ownership and operation of a Maid Brigade franchised business.

WHEREAS, Franchisor and Franchisee now desire to terminate such Franchise Agreement, in connection with the termination, assignment or renewal of the franchise.

NOW THEREFORE, to acknowledge that any claims and issues which Franchisee may have had prior to the date hereof have been fully resolved and as consideration for the termination/assignment or renewal of the Franchise Agreement, and other good and valuable consideration, it is agreed as follows:

Franchisee, for himself/herself/themselves and each of his/her/their successors, representatives, assigns, affiliates, principals, officers, directors, shareholders, subsidiaries, parents, agents, servants, employees, executors, joint ventures, partners, employers, administrators, accountants and attorneys, and each of them, do hereby absolutely, fully, jointly, and severally, and forever release, acquit, relieve, waive, relinquish, and discharge Franchisor, and its respective successors, representatives, assigns, affiliates, principals, officers, directors, shareholders, subsidiaries, parents, agents, servants, employees, executors, joint ventures, partners, employers, administrators, accountants and attorneys from any and all claims, actual or alleged, and any and all claims, actual or potential, whether known or unknown, whether fixed or contingent, whether actual or alleged, and any and all causes of action arising from the beginning of time to the present, including all such claims arising out of or relating to the Franchise Agreement. It is agreed that no provision set out above shall serve as a release, estoppel or waiver of any liability that might be incurred under the Maryland Franchise Registration and Disclosure Law.

Franchisee, severally and jointly, acknowledges that he/she/they may later discover facts, in addition to or different from those which he/she/they know or believe to be true, with respect to the subject matter of the Franchise Agreement, but that each intends to and does hereby fully and finally settle and release all claims as provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this Release of Liability Agreement to be executed as of the day first written above.

WITNESS:

MAID BRIGADE, INC.

WITNESS:

FRANCHISEE:

STATE EFFECTIVE DATES

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

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

STATE	EFFECTIVE DATE
California	January 7, 2020
Hawaii	
Illinois	January 2, 2020
Indiana	June 27, 2019
Maryland	January 15, 2020
Michigan	June 26, 2019
Minnesota	January 7, 2020
New York	January 9, 2020
North Dakota	
Rhode Island	
South Dakota	
Virginia	January 16, 2020
Washington	January 14, 2020
Wisconsin	December 23, 2019

ITEM 23 RECEIPT

THIS DISCLOSURE DOCUMENT SUMMARIZES CERTAIN PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY. IF MAID BRIGADE INC OFFERS YOU A FRANCHISE, IT MUST PROVIDE THIS DISCLOSURE DOCUMENT TO YOU AT LEAST 14 CALENDAR DAYS BEFORE YOU SIGN A BINDING AGREEMENT WITH OR MAKE A PAYMENT TO THE FRANCHISOR OR AN AFFILIATE IN CONNECTION WITH THE PROPOSED FRANCHISE SALE. NEW YORK STATE LAW REQUIRES A FRANCHISOR TO PROVIDE THE FRANCHISE DISCLOSURE DOCUMENT AT THE EARLIER OF THE FIRST PERSONAL MEETING OR 10 BUSINESS DAYS BEFORE THE EXECUTION OF THE FRANCHISE OR OTHER AGREEMENT OR THE PAYMENT OF ANY CONSIDERATION THAT RELATES TO THE FRANCHISE RELATIONSHIP.

IF MAID BRIGADE INC 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 THE STATE AGENCY LISTED ON EXHIBIT A.

DATE OF ISSUANCE April 28 2020.

See Exhibit A for our registered agents authorized to receive service of process. The individual serving as our Franchise Seller is Joel Lazarovitz, who can be reached at (770) 551-9630, at 4 Concourse Parkway, Suite 200 Atlanta, GA 30328.

I have received a Disclosure Document dated April 28, 2020 that included the following Exhibits

- A — List of State Administrators and Agents for Service of Process
- B — Franchise Agreement including State-Specific Amendments
- C — Corporate Assignment Agreement
- D — Financial Statements
- E-1 — List of Franchisees
- E-2 — Franchisees Who Have Left the System
- F — Statement of Prospective Franchisees
- G — Operations Manual Table of Contents
- H — General Release

_____, 202_____

Date Prospective Franchisee

Print Name:_____

_____, 202_____

Date Prospective Franchisee

Print Name:_____

[Please sign and date this copy and return it to Maid Brigade, Inc.]