

FRANCHISE DISCLOSURE DOCUMENT

THE MAIDS INTERNATIONAL, LLC

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THE MAIDS® Businesses provide household maintenance and cleaning services.

The total investment necessary to begin operation of a single-Territory THE MAIDS® franchise is ~~\$81,117,720 to \$159,700.~~ \$141,200. This includes ~~\$49,900 to \$103,799,900~~ that must be paid to ~~us~~ franchisor or its affiliates.

The total investment necessary to begin operation of the first Territory and the rights to develop a contiguous, multi-Territory THE MAIDS® franchise comprising of 2 Territories is \$167,720 to \$191,200. This includes \$110,000 that must be paid to the franchisor or its affiliate. The total investment necessary to begin operation of the first Territory and the rights to develop a contiguous, multi-Territory THE MAIDS® franchise comprising of 3 Territories is \$202,720 to \$226,200. This includes \$145,000 that must be paid to the franchisor or its affiliate. The total investment necessary to begin operation of the first Territory and the rights to develop a contiguous, multi-Territory THE MAIDS® franchise comprising of 4 Territories is \$227,720 to \$251,200. This includes \$170,000 that must be paid to the franchisor or its affiliate. The total investment necessary to begin operation of the first Territory and the rights to develop a contiguous, multi-Territory THE MAIDS® franchise comprising of 5 Territories is \$247,720 to \$271,200. This includes \$190,000 that must be paid to the franchisor or its affiliate.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our Franchise Development Team at 9394 West Dodge Road, Suite 140, Omaha, NE 68114, phone: (402) 558-5555, email: development@maids.com.

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

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

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

Issuance Date: -January 20, 2025, as amended April 22, 2025

, and as further amended August 15, 2025

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 Exhibits B and C.
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 A 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 The Maids® 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 The Maids® franchisee?	Item 20 or Exhibits B and C 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 ~~K~~**J**.

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 litigation only in ~~Nebraska~~the state of Franchisor's then-current corporate headquarters, which is currently Nebraska. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost more to litigate with the franchisor in Nebraska or other state than in your own state.
2. **Mandatory Minimum Payment.** You must make minimum royalty or ~~advertising~~marketing fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your ~~spouse's~~spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
4. **Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.
5. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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.

**NOTICE REQUIRED
BY
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.

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

**THIS MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE
RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.**

(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 qualifications or standards.

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

(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.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Law Building, Lansing, Michigan 48913, telephone (517) 373-7117.

**THE MAIDS INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT**

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Item 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Franchisor

To simplify the language in this Disclosure Document, “we,” “us,” “our” and “TMI” mean The Maids International, LLC, the franchisor. ~~“You,” “Franchisee,” “you,” and “your,”~~ means the person, persons or entity who ~~buys-licenses the~~ franchise, ~~including the entity’s from The Maids International, LLC and its owners- if you are a business entity.~~ On October 9, 1979, we were incorporated in the State of Nebraska as The Maids International, Inc. On February 27, 2020, we converted from a Nebraska corporation to a Nebraska limited liability company. On March 4, 2020, we were acquired by The Maids Holdings Inc., a Delaware corporation with a principal address of 251 Little Falls Drive, Wilmington, ~~DE~~Delaware 19808. The Maids Holdings Inc. is a subsidiary of Gladstone Management Corp., a Delaware corporation, which has a principal business address of 1521 Westbranch Drive, Suite 100, McLean, ~~VA~~Virginia 22102. We do business under the name “The Maids®.” As of the issuance date of this Disclosure Document, our ~~offices are at principal business address is~~ 9394 West Dodge Road, Suite 140, Omaha, ~~NE~~Nebraska 68114. Our website is www.maids.com.

Except as disclosed in this Item, we have no parents, predecessors or affiliates required to be disclosed in this Item. ~~We are engaged in no business activities other than franchising the right to own and operate The Maids® household maintenance and home services businesses and operating company owned The Maids® stores.~~

Our agents for service of process are disclosed on Exhibit ~~KJ~~ to this Disclosure Document.

Franchised Business

We grant the personal right and license to establish and operate a The Maids® household maintenance and home services business (“The Maids® Business”). ~~Under the terms of the Franchise Agreement (which is attached as Exhibit D), you will operate your The Maids® Business within a prescribed territory. -The Maids® Businesses provide efficient household cleaning services for people who lack the time or desire to clean their home on a regular basis. It will be your sole responsibility for locating any customer accounts, and you must purchase or lease one vehicle for each maid team used in your The Maids® Business. -We may require you to use the Mr. Clean® trademark in the operation of your The Maids® Business, but we do not anticipate that it will be the primary trademark.~~

We have been ~~franchising~~offering franchise opportunities for the right to operate The Maids® Businesses since November 1980. ~~As of September 30, 2024, there were a total of 1,665,620 franchised and company-owned Territories- in the United States. A total of 423,119 franchisees licensed and operated 1,517,472 of the 1,665,620 Territories- in the United States. We operated the remaining 148 Territories- in the United States. (This reflects the number of franchised and company-owned Territories in operation as of September 30, 2024, with each Territory consisting of approximately 24,000 households. As of the amended issuance date of this Disclosure Document (August 15, 2025), we are in the process of re-configuring the territory size calculation per franchisee and company-owned outlet to consist of approximately 90,000-150,000 households per Territory (consistent with our current Item 12 disclosure), which will result in a lower “Territory” count in subsequently issued disclosure documents.)~~

As of September 30, 2024, a total of 4 franchisees licensed and operated 45 Territories in Canada.

We do not offer franchises in any other line of business.

Competition and Government Regulations

You will compete with national and local businesses offering the same or similar cleaning services. -The market for residential cleaning services is developed in some major cities, but remains undeveloped in many areas.- Even in developed markets, we believe our concept is different from the standard cleaning service in terms of the services and products offered.

We know of no governmental regulations which specifically govern the household maintenance and cleaning service industry, but you are subject to laws and regulations that apply to businesses generally, including immigration and employment laws. -We are not aware of any environmental regulations applicable to the household cleaning supplies used in your The Maids® Business. -We strongly encourage you to investigate the laws and regulations that may apply to your business.

Item 2

BUSINESS EXPERIENCE

Chairwoman of the Board of Directors and Assistant Secretary: Erika Highland

Ms. Highland joined us in March 2020 as a Director and Assistant Secretary. Ms. Highland has also been a Managing Director of Gladstone Management Corp. in McLean, Virginia since August 2005.

Chief Executive Officer and Board Director: Cathy Skula

Ms. Skula joined us in November 2024 as the Chief Executive Officer. -Prior to joining ~~The Maids,~~ she TMI, Ms. Skula served as Operating Partner for The Riverside Company from August 2022 until March 2024 in Dallas, Texas, where she was responsible for overseeing four of their portfolio companies. -From May 2004 until April 2022, Ms. Skula ~~was with~~worked for Upbound Group in Dallas, Texas (-formerly Rent-A-Center)), where she served in various roles including President and CEO of their wholly-owned subsidiary, Rent-A-Center Franchising International, from January 2012 until April 2022.

Chief Financial Officer: Calum Middleton

Mr. Middleton joined us in April 2025 as the Chief Financial Officer. -Prior to joining TMI, Mr. Middleton was the Chief Financial Officer of P.F. Chang's China Bistro in Scottsdale, Arizona from April 2024 to July 2024, the Chief Financial Officer of Gordon Ramsay North America in Irving, Texas from July 2023 to April 2024, and held several positions with First Watch Restaurant Group in Bradenton, Florida from February 2015 to July 2023, including the Chief Strategy Officer position from June 2021 to July 2023.

Chief Operating Officer: ~~Ken Doty~~Dave Smith

Mr. ~~Doty~~Smith joined us in July ~~2013~~2025 as ~~Vice President of Business Intelligence, overseeing all aspects of business intelligence pertaining to the franchise network. In November 2022, he was promoted to Chief Development~~Operating Officer. ~~In December 2023, he was promoted to his current position,~~ overseeing our franchise operations and solutions. Prior to joining TMI, Mr. Smith was the Senior Director of Franchise Operations for Rent-A-Center Franchising International Inc. in Plano, Texas from January 2018 to July 2025.

Chief Marketing Officer: Steve Gregersen

Mr. Gregersen joined us in February 2024 as the Chief Marketing Officer, overseeing all aspects of the national marketing for our franchise network. From February 2022 through February 2024, Mr. Gregersen worked as the Vice-President of Marketing at PPLSI in Cranford, New Jersey, where he led the marketing strategies for the brands, LegalShield and IDShield. -From June 2018 through February 2022, Mr. Gregersen worked as the Vice-President of Marketing for CoWorx Staffing and its subsidiary brands, Luxury Method and Mount Kemble Search Group, in Cranford, New Jersey.

Item 3

LITIGATION

No litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

Item 5

INITIAL FEES

Initial Franchise Fee

The Initial Franchise Fee you pay will depend on the number of Territories you qualify for and elect to purchase, as approved by us. The Initial Franchise Fee structure is set forth in the following table:

<u>Number of Territories Purchased</u>	<u>Initial Franchise Fee</u>
<u>One (1) Territory</u>	<u>\$60,000</u>
<u>Two (2) Territories</u>	<u>\$110,000</u>
<u>Three (3) Territories</u>	<u>\$145,000</u>
<u>Four (4) Territories</u>	<u>\$170,000</u>
<u>Five (5) Territories</u>	<u>\$190,000</u>
<u>Initial Territory Fee</u> <u>Each additional contiguous Territory after the purchase of the fifth (5th) Territory</u>	<u>\$.50 Per Household</u> <u>\$20,000 for each additional contiguous Territory</u>

~~1. — SMART Start Package~~

~~\$19,900~~

Initial Territory Fee

The Initial Territory Fee is \$.50 for each household in your Designated Market Area.

For example, if there are 72,000 households in your Designated Market Area, you would pay to us an Initial Territory Fee of \$36,000 (\$.50 multiplied by 72,000). The number of households in a Franchise Territory ranges from 20,000 to 24,000 households. You must pay this amount when you sign the Franchise Agreement. We offer financing to new and existing franchisees up to 80% of the Initial Territory Fee, as will be deemed to have been fully described in Item 10. We do not offer financing for any other purpose either in connection with the establishment or the operation of a The Maids® franchise. We also offer a discount of 5% off the Initial Territory Fee if the Initial Territory Fee is paid in full at the time the Franchise Agreement is signed.

earned by us and non-refundable when paid. If you qualify and elect to purchase additional Franchise Territories after you sign the Franchise Agreement, you will have to pay an Initial Territory Fee of \$.50 per household in your newly acquired territories. You will be required to pay the additional Initial Franchise Fee for that Territory. For example, if you sign the Franchise Agreement for one Territory, and later qualify and elect to purchase a second Territory, you will pay to us \$50,000 for the purchase of the second Territory. To be eligible to purchase an additional territoriescontiguous Territory, you must not be in breach or default of any agreement with us, and you must meet our then-current criteria for expansion. Any additional Franchise Territories to be purchased are subject to final approval by us.

As described in Item 12 of this Disclosure Document, your Designated Market Area will consist of one or more Franchise Territories. Designated Market Areas and will range in size from approximately 60,000 to 168,000 households, which would result in an Initial Territory Fee equal to \$30,000 to \$84,000, depending on the number of Territories. Your Designated Market Area will be defined by hard boundaries, such as streets, highways, rivers, or other identifiable physical largely based on current Zip Code boundaries.

Initial Territory Fee Terms

We may terminate your Franchise Agreement if you provide us with any inaccurate financial, personal or other information, or if you or your manager fails to successfully complete our training program within 180 days of signing the Franchise Agreement or upon mutual agreement.

If your Franchise Agreement is terminated as described above, we will refund your Initial Territory Fee after deducting all our reasonable administrative and out of pocket expenses. These expenses will include our training costs, salespersons' commissions, brokers' fees, attorneys' fees, audit fees, and travel expenses. Otherwise, the Initial Territory Fee is nonrefundable. You will not be charged an amount for these expenses which exceeds the amount of the Initial Territory Fee.

We are a member of the VetFran program. If you are a veteran of the United States Armed Services, your Initial TerritoryFranchise Fee will be discounted by 20%. \$1,000 total, regardless of the number of Territories you purchase.

During our last fiscal year, which ended September 30, 2024, we collected Initial Franchise Fees ranging

from \$20,616 to \$134,925.

SMART Start Package

No later than thirty (30) days prior to commencing the SMART Start Training Program~~When you sign the Franchise Agreement~~, you must pay to us \$19,900 for the SMART Start Package necessary to commence operation of your The Maids® Business. ~~Items contained in the~~ The SMART Start Package are, as further described in the Operations Manual—, includes cleaning solvents, cleaning supplies and consumables, uniforms and other branded apparel, and a vacuum and other equipment. We may change the items included in the SMART Start ~~package~~Package from time to time to reflect the ~~changing~~ needs of The Maids® Business, including but not limited to, changes in suppliers and/or product specifications. ~~This payment is nonrefundable unless your Franchise Agreement is terminated as described above~~The SMART Start Package will be deemed to have been fully earned by us and non-refundable when paid.

If, after signing the Franchise Agreement for your first The Maids® Business, you purchase an additional ~~territory, then~~contiguous Territory, you will not be required to purchase an additional SMART Start ~~package~~Package.

~~If your Franchise Agreement is terminated as described above, we will refund your payment for the SMART Start Package after we receive, freight prepaid, the returned equipment and supply package and deduct the costs of any items not returned to us in a new and salable condition.~~

Item 6

OTHER FEES

Type Of Fee (see Note 1)	Amount	Date Due	Remarks
Continuing License Fees	6.9% to 3.9% of Gross Revenues. Minimum Continuing License Fees may apply	Wednesday of each week for the preceding week	Gross Revenues is defined in Note 3 (see Notes 2, 3, 4 and 5)
Technology Innovation Fund Fee	0.25% of Gross Revenues (see Notes 2 and 6)	Wednesday of each week for the preceding week	The Technology Innovation Fund Fee you pay to us is deposited in The Maids® National Technology Fund
Advertising <u>Marketing</u> Fund Fee	2% of Gross Revenues	Wednesday of each week for the preceding week	The Advertising <u>Marketing</u> Fund Fee you pay to us is deposited in The Maids® National Advertising <u>Marketing</u> Fund (see Notes 2 and 7)

Type Of Fee (see Note 1)	Amount	Date Due	Remarks
Software and Support Fee (see Notes 1, 2)	Currently \$140 per month (Additional \$85 per month per additional office). Subject to change with 30 days' notice	Monthly	Software and Support Fee will begin upon completion of SMART Start Training (see Note 8)
TMI National Convention	The then-current fee, <u>not to exceed \$1000 per person</u> . The current registration fee is up to \$750 per person. If you fail to attend the National Convention, you will be charged an additional non-attendance fee of \$1,000. If you fail to attend two or more National Conventions consecutively, you will be charged an additional non-attendance fee of \$1,500 each time.	Before attending the National Convention	You must attend the National Convention. You must also pay your travel and lodging expenses (Seesee Note 9)
<u>Renewal Fee</u>	<u>\$7,500</u>	<u>Upon renewal of Franchise Agreement</u>	<u>Not applicable.</u>
(Optional Service) National Sales Center Fees (see Note 10)	Sales Calls: \$57 per week \$36 per sold quote \$7.50 per unsold quote	Weekly	Fees are subject to change with 30 days' notice; provided that we will not increase the fees by more than 25% per year
Audit Fees	Amount incurred by TMI to audit your The Maids® Business but no less than, which will not exceed \$5,000 <u>plus the cost of any external audit fees, professional service fees, salaries of our employees, travel and lodging expenses</u>	Within 10 days of receipt of an invoice	Payable only if our audit reveals that you understated your Gross Revenues by more than 2% or underpaid your Continuing License Fees by more than \$500 during any 12-month period

Type Of Fee (see Note 1)	Amount	Date Due	Remarks
Transfer Fee	\$15,000	Before the date you transfer the Franchise Agreement or a controlling interest in a corporation or partnership that is the franchisee	We must approve the transfer. You do not have to pay the Transfer Fee if an existing franchisee is the transferee
Collection Costs for Unpaid Fees	Amount we incur to collect fees	On demand	Includes the amount of actual attorneys' fees, deposition costs, expert witness fees, investigation costs, accounting fees, filing fees and travel expenses
Interest Charges for Unpaid Fees	18% per annum or the maximum legal rate allowable in the state in which your The Maids® Business is located	On demand	Applies to all delinquent fee payments due to us
ACH Draft – Insufficient Funds	Currently up to \$25 per insufficient fund draft	On demand	You must pay us for each ACH draft refused by your financial institution for insufficient funds in your account
Non-Compliance Fee	Up to \$500 per occurrence	On demand	In addition to other rights we have under the Franchise Agreement, if you fail to comply on a timely basis with certain obligations, you may be charged a fee as described in the Manuals.
Requested On-Site Training and Consulting Services Provided by TMI	Currently up to \$250 per day plus travel expenses	After services have been rendered	You must also pay all applicable travel and lodging. We may modify the fees periodically but we will not increase the fees by more than 25% per year
Territory Infringement Fee	Varies depending on the type and severity of the infringement (<u>up to 100% of the Gross Revenue earned</u>)	As incurred	Only due when you service customers in a neighboring franchisee's Designated Market Area without prior written consent

Type Of Fee (see Note 1)	Amount	Date Due	Remarks
Cost of Alternative Supplier	Our testing costs of alternative supplies and/or equipment which may vary under the circumstances	As incurred	
<u>Local Advertising (see Note 11)</u>	<u>Varies depending on the number of Territories purchased</u>	<u>As incurred</u>	<u>Payable upon Franchisee's non-compliance with Local Advertising Requirement</u>
Costs and Attorneys' Fees	Will vary under the circumstances	As incurred	Payable upon your failure to comply with the Franchise Agreement
<u>Insurance</u>	<u>Will vary under the circumstances</u>	<u>Upon demand</u>	<u>If you fail to obtain required insurance, we may obtain such insurance at your expense (but are not required to do so) and charge you a service fee to do so. Otherwise, these payments are made directly to your third-party insurance provider.</u>
Indemnification	Will vary under the circumstances	On demand	You must indemnify and hold us, our officers, directors, employees and affiliates harmless with respect to any and all claims, losses, costs, expenses, liabilities, attorneys' fees, and damages arising directly or indirectly from, as a result of, or in connection with your The Maids® Business operation and defending against them

Type Of Fee (see Note 1)	Amount	Date Due	Remarks
<u>Cost of Enforcement or Defense</u>	<u>Will vary under circumstances</u>	<u>As incurred</u>	<u>You must reimburse us for any legal, accounting, or other professional fees that we incur as a result of any breach or termination of your Franchise Agreement. You must reimburse us if we are required to incur any expenses in enforcing our rights against you under the Franchise Agreement.</u>
<u>Liquidated Damages (see Note 12)</u>	<u>Varies</u>	<u>Within 15 days after termination of the Franchise Agreement</u>	<u>Due only if we terminate the Franchise Agreement before the end of the term because of your default or you terminate the Franchise Agreement.</u>

Notes:

1. You must pay each fee to us unless otherwise noted. All fees are nonrefundable and, unless otherwise noted, are uniformly imposed based on Franchise Agreement.
2. You must authorize your bank to accept automatic withdrawals of this amount from your bank into our bank account on a weekly basis. You must provide us with all documents necessary to direct your bank to honor these pre-authorized bank debits.
3. We have designed the Continuing License Fee structure to reward you for expanding your The Maids® Business. Each week, you must pay to us a nonrefundable Continuing License Fee equal to a specified percentage of the weekly Gross Revenues of your The Maids® Business as follows:

Weekly Gross Revenues	Continuing License Fee Percentage
\$ 0 - 6,730	6.9%
\$ 6,731 - 13,460	6.5%
\$ 13,461 - 28,840	6.0%
\$ 28,841 - 48,070	5.5%
\$ 48,071 - 76,920	5.0%
\$ 76,921 - 134,615	4.5%
\$ 134,616 and up	3.9%

- The Continuing License Fee percentage is based on the applicable rate for one week of Gross Revenues.

- If you own multiple The Maids® Businesses and are in compliance under the terms of your Franchise Agreements, you may combine weekly Gross Revenues (excluding The Maids® Businesses you own as a result of any acquisition of an existing The Maids® Business after December 31, 2012) to reach the lowest possible Continuing License Fee percentage provided that you submit weekly Gross Revenues reports for all The Maids® Businesses on the same day and in the format we require.
 - Example: If your Gross Revenues during week 1 are \$7,000, you will pay 6.5% of \$7,000 as the weekly Continuing License Fee for week 1. If your weekly Gross Revenues are \$14,000 in week 2, you will pay 6.0% of \$14,000 as the Continuing License Fee for week 2. If in week 3, you had weekly Gross Revenues of \$15,000 in your first The Maids® Business, and you expanded into a new territory and opened a second The Maids® Business that had Gross Revenues of \$15,000 in the same week, you would pay 5.5% of the combined Gross Revenues of \$30,000 as the Continuing License Fee for that week. If in week 4, you had weekly Gross Revenues of \$30,000 in your first and second The Maids® Business, and you purchase an existing The Maids® Business that had Gross Revenues of \$15,000 in the same week, you would pay 5.5% of the combined Gross Revenues of \$30,000 plus 6.0% of \$15,000 as the Continuing License Fee for that week.
 - If you fail to cure a default under your Franchise Agreement or any other agreement with us within 30 days of receiving written notice from us that you are in default, your Continuing License Fee will be 6.9% regardless of the amount of your Gross Revenues, until the default is cured.
 - You are never allowed to operate your The Maids® Business in the Designated Market Area of another franchisee. In addition to our right to terminate the Franchise Agreement for your operation in the Designated Market Area of another franchisee, you will also owe compensation, up to 100% of the Gross Revenue earned, to the franchisee whose Designated Market Area you infringed upon based upon our then-current territory infringement guidelines.
 - Gross Revenues are the total dollar income to you resulting from all sales made to customers or clients of your The Maids® Business and any other cleaning, maintenance or service business which is either inside or outside for all products and home services, whether made for cash, credit or barter. Gross Revenues do not include any sales, use or gross receipts tax imposed by any federal, state, municipal or governmental authority directly upon sales, if: (A) the amount of the tax is added to the selling price and is expressly charged to the customer; (B) a specific record is made at the time of each sale of the amount of such tax; and (C) you pay the amount of the tax to the appropriate taxing authority.
4. You must pay to us a minimum weekly Continuing License Fees under your Franchise Agreement according to the following table under each Franchise Agreement:

Period From Date of Franchise Agreement	Minimum Weekly Continuing License Fees Per Agreement
Months 1-12	No minimum
Months 13-24	\$150
Months 25-48	\$200
Months 49-thereafter	\$250

5. Provided that franchisees are in compliance with the terms of their Franchise Agreement, we allow existing franchisees to pay Continuing License Fees, AdvertisingMarketing Fund Fees, and

Technology Innovation Fund Fees at the lowest rate in any of their existing Franchise Agreements until the Agreement expires. -For example, if you signed a Franchise Agreement in year one and expanded in year two, under this program you would be allowed to pay Continuing License Fees, AdvertisingMarketing Fund Fees, and Technology Innovation Fund Fees at the rates in your first Franchise Agreement for the area you expanded into in year two until the first Franchise Agreement expires. After the first Franchise Agreement expires, you would pay Continuing License Fees, AdvertisingMarketing Fund Fees, and Technology Innovation Fund Fees in accordance with the second Franchise Agreement. This program is not applicable to acquisitions of existing The Maids® Businesses after December 31, 2012.

6. We reserve the right to increase the amount of the weekly Technology Innovation Fund Fee. We will give you 90 days written notice before assessing increased Technology Innovation Fund Fees. Any increase will not exceed the maximum 1% of the Franchisee's weekly Gross Revenues, with a cap of \$15,000 per franchisee per year.
7. We reserve the right to increase the amount of the weekly AdvertisingMarketing Fund Fee.- We will review any proposed increase with the Advisory Council. In addition, we will give you 90 days written notice before assessing increased AdvertisingMarketing Fund Fees. Any increase will not be more than 1/2 of 1% in a two-year period.
8. You must pay to us a monthly Software and Support Fee of \$140 per month, plus an additional \$85 per month for each additional office. We reserve the right to: (a) modify this support program; (b) designate a different vendor or software; or (c) modify the types of technology covered by the Software and Support Fee (which may include future technology needs). We also may modify pricing with 30 days prior notice; provided that we will not increase the portion of the Software and Support Fee attributable to our costs by more than the actual increase to our costs and we will not increase the portion of the Software and Support Fee attributable to our overhead and administrative expenses by more than 25% per year.
9. We have the right to change the~~The current~~ registration fees and fee structure with 30 days' notice. The first attendee fee fee is up to \$750 ~~and per person, and we reserve the right to increase this fee to not more than \$1,000 per person upon 30 days' notice to you. The TMI National Convention Fee is nonrefundable and will be collected even if you do not attend the National Convention. -If you fail to attend the National Convention, you will be charged an additional non-attendance fee of \$1,000. If you fail to attend two or more National Conventions consecutively, you will be charged an additional non-attendance fee of \$1,500 each time.~~
10. National Sales Center is an optional service provided to you. Sales call fees are charged weekly and consist of \$57 per week, \$36 per sold quote, and \$7.50 per unsold quote. National Sales Center Fees are subject to change with 30 days' notice; provided that we will not increase such fees by more than 25% per year.
11. The amount of the Local Advertising Requirement will depend on the number of Territories purchased, according to the following: \$2,500 per month for the first Territory; an additional \$500 per month for the second contiguous Territory; and an additional \$250 per month for each additional contiguous Territory beyond the second Territory. If you fail to invest the required minimum for approved advertising and promotion in any month, then, in addition to any other remedies available to TMI under this Agreement, TMI may require the Franchisee to deposit with TMI the difference between the required minimum and what was actually spent for approved advertising and

promotion. TMI may use such amount in the Franchisee's Designated Market Area for advertising or promotion that TMI deems, in its sole discretion, to be in the best interests of the Franchised Business.

12. Liquidated damages are determined by multiplying the Franchised Business' combined weekly average revenue for the preceding 12-month period prior to termination multiplied by the number of weeks remaining in the Franchise Agreement and multiplied by each of Continuing License Fees at the rate of 6.9%, Technology Innovation Fund Fee at the rate of 0.25%, and Advertising Fund Fee at the rate of 2%.

Item 7

ESTIMATED INITIAL INVESTMENT YOUR ESTIMATED INITIAL INVESTMENT

A. Single Territory

Type of Expenditure	Amount	Method of Payment ⁽¹⁾	When Due	To Whom Payment is to be Made
Initial Fees Franchise Fee ⁽²⁾	<u>\$60,000</u>	<u>Lump Sum</u>	<u>When you sign the Franchise Agreement</u>	<u>Us</u>
Initial Territory Fee ⁽²⁾ SMART Start Package ⁽³⁾	<u>\$19,900</u> \$30,000 - \$84,000	Lump Sum	<u>When you sign the Franchise Agreements Before Training</u>	Us
SMART Start PackageGrand Opening Advertising ⁽⁴⁾	<u>\$19,900</u> 5,000	<u>As Incurred</u> Lump Sum	<u>When you sign the Franchise Agreements Before Opening</u>	<u>Supplier/Us</u>
Office Security Deposit	\$0 - \$2,150	Lump Sum	Before Opening	Landlord
Office Fixtures, Decorating & Furniture	\$500 - \$2,000	Lump Sum	Before Opening	Supplier
Auto Down Payments or Lease Payments and Paint or Wrap Installation	\$1,800 - \$4,500	Lump Sum	Before Opening	Supplier
Telephone and Internet	\$900 - \$1,800	Lump Sum	Before Opening	Supplier
Insurance Deposit ⁽³⁵⁾	\$2,200 - \$3,200	Lump Sum	Before Opening	Supplier
Washer and Dryer	\$0 - \$1,500 <u>000 - \$2,000</u>	Lump Sum	Before Opening	Supplier
Start Up Professional Services	\$500 - \$1,500	Lump Sum	Before Opening	Supplier
Wages, Travel and Living Expenses During SMART Start Training ⁽⁴⁶⁾	\$1,040 - \$4,650	As Incurred	During Training	Manager, Airlines, Hotels, and Restaurants

Type of Expenditure	Amount	Method of Payment ⁽¹⁾	When Due	To Whom Payment is to be Made
Additional Funds – 3 Months ^(5,7)	\$24,880 - \$34,500	As Incurred	Monthly	Supplier/Us
GRAND TOTAL ^{(6),(8),(9)}	\$81,117,720 - \$159,700 141,200			

Notes to Table A:

4. ~~Payments are non-refundable unless otherwise noted. We may offer financing to new and existing franchisees of up to 80% of the Initial Territory Fee for the purchase of Territories. Financing is not offered for any other purpose either in connection with the establishment or the operation of a The Maids® franchise by us. Certain vendors, suppliers or other third parties may offer financing on other expenses disclosed in this Item and those terms would be set by those third parties.~~
1. ~~The price for each household located in the Designated Market Area you~~ All fees and payments are non-refundable, unless otherwise stated.
2. ~~The Initial Franchise Fee must be paid when you sign the Franchise Agreement and will be deemed to have been fully earned by us and non-refundable when paid. If you qualify and elect to purchase additional Territories after you sign the Franchise Agreement, you will be required to pay the additional Initial Franchise Fee for that Territory. To be eligible to purchase will be \$.50 per household. The range of size of a Designated Market Area encompasses approximately 60,000 to 168,000 households. an additional contiguous Territory, you must not be in breach or default of any agreement with us, and you must meet our then-current criteria for expansion. Any additional Territories to be purchased are subject to final approval by us. As described in Item 12 of this Disclosure Document, your Designated Market Area will consist of one or more Franchise Territories and will range in size depending on the number of Territories. Your Designated Market Area will be defined by hardl~~ The Initial Franchise Fee must be paid when you sign the Franchise Agreement and will be deemed to have been fully earned by us and non-refundable when paid. If you qualify and elect to purchase additional Territories after you sign the Franchise Agreement, you will be required to pay the additional Initial Franchise Fee for that Territory. To be eligible to purchase will be \$.50 per household. The range of size of a Designated Market Area encompasses approximately 60,000 to 168,000 households. an additional contiguous Territory, you must not be in breach or default of any agreement with us, and you must meet our then-current criteria for expansion. Any additional Territories to be purchased are subject to final approval by us. As described in Item 12 of this Disclosure Document, your Designated Market Area will consist of one or more Franchise Territories and will range in size depending on the number of Territories. Your Designated Market Area will be defined by hardl argely based on current Zip Code boundaries, such,
3. ~~No later than thirty (30) days prior to commencing the SMART Start Training Program, you must pay to us \$19,900 for the SMART Start Package necessary to commence operation of your The Maids® Business. The SMART Start Package, as streets, highways, rivers, further described in Item 5 and the Operations Manual, includes cleaning solvents, cleaning supplies and consumables, uniforms and other branded apparel, and a vacuum and other equipment. We may change the items included in the SMART Start Package from time to time to reflect the needs of The Maids® Business, including but not limited to, changes in suppliers and/or product specifications. The SMART Start Package will be deemed to have been fully earned by us and non-refundable when paid. If, after signing the Franchise Agreement for your first The Maids® Business, you purchase an additional contiguous Territory, you will not be required to purchase an additional SMART Start Package.~~
4. ~~No later than thirty (30) days prior to the opening of your The Maids® Business, you must spend a minimum of \$5,000 in connection with pre-opening marketing activities for your The Maids® Business (“Grand Opening Advertising”). This Grand Opening Advertising spend is in addition to your Marketing Fund Fees and Local Advertising Requirement. You will not be required expend additional amounts on Grand Opening Advertising if, after signing the Franchise Agreement for~~

your first Territory, you purchase an additional contiguous Territory or other identifiable physical boundaries Territories.

- ~~3-5.~~ See Item 8 of this Disclosure Document and Article 12 of the Franchise Agreement for more complete information regarding the insurance coverage necessary for your The Maids® Business.
46. You are responsible for all wages, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance, travel costs, lodging, food, automobile rental and other expenses incurred for all persons attending our SMART Start Training Program. You must attend and successfully complete our SMART Start Training Program which is described in Item 11 of this Disclosure Document. This Wage, Travel and Living Expenses During SMART Start Training estimate does not include any Franchisee compensation or payroll costs.
- ~~57.~~ This additional funds estimate does not include the Continuing License Fees, ~~Advertising~~Marketing Fund Fees, or the Technology Innovation Fund Fee you must pay to us. ~~This~~The **additional funds estimate does not include any Franchisee compensation.** These figures are estimates only, and it is possible that you may have additional or greater expenses during this initial three-month period. Your costs will vary depending on the size of your The Maids® Business, economic and market conditions, competition, wage rates, sales levels attained, and other factors.
68. Your estimated initial investment and other estimates in this Disclosure Document do not take into account any debt service, ongoing working capital financing, accounts receivable financing or other related costs. The numbers are estimates only and there is no assurance that additional funds might not be needed by you before or after opening your The Maids® Business. These estimates are based on our years of experience in franchising and operating The Maids® Business, and are derived primarily from information which franchisees provide to us. These estimates make no provisions for personal living expenses needed by you and your family.
79. Since costs to begin operating a The Maids® Business can vary with each franchise (particularly if you are purchasing an existing The Maids® Business), we strongly recommend that you (1) obtain, before purchasing a The Maids® franchise or making other commitments, independent estimates from third-party vendors and your accountant of the costs which would apply to the establishment and operation of a The Maids® Business, (2) discuss with current and past The Maids® franchisees their economic experiences (including initial investment and appropriate reserve funds) in opening and operating a The Maids® Business, and (3) evaluate carefully the adequacy of your total financial reserves with an accountant or other professional financial advisor.

B. Multi-Territory

<u>Type of Expenditure</u>	<u>Offering⁴</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment Is to be Made</u>
<u>Initial Franchise Fee²</u>	<u>2-Pack</u>	<u>\$110,000</u>	<u>Lump Sum</u>	<u>Upon execution of Franchise Agreement</u>	<u>Franchisor</u>
	<u>3-Pack</u>	<u>\$145,000</u>			
	<u>4-Pack</u>	<u>\$170,000</u>			
	<u>5-Pack</u>	<u>\$190,000</u>			
<u>Initial Investment to Open Single Territory³</u>		<u>\$57,720 – \$81,200</u>	<u>Calculated by taking the total estimated initial investment in Table A of this Item 7 and subtracting the Initial Franchise Fee amounts.</u>		

<u>TOTALS</u>	<u>2-Pack</u>	<u>\$167,720 – \$191,200</u>	<u>This is the total estimated initial investment for the right to develop each of the multi-unit offerings, as well as the costs to open and commence operating your initial Territory for the first three (3) months (as described more fully in Table A of this Item 7). See Note 3.</u>
	<u>3-Pack</u>	<u>\$202,720 – \$226,200</u>	
	<u>4-pack</u>	<u>\$227,720 – \$251,200</u>	
	<u>5-Pack</u>	<u>\$247,720 – \$271,200</u>	

Notes to Table B:

1. All fees and payments are non-refundable, unless otherwise stated. This table details the estimated initial investment associated with purchasing the right develop a total of two (2), three (3), four (4), and five (5) Territories, respectively, as well as the initial investment for the first Territory.
2. The Initial Franchise Fee must be paid when you sign the Franchise Agreement and will be deemed to have been fully earned by us and non-refundable when paid. If you qualify and elect to purchase additional Territories after you sign the Franchise Agreement, you will be required to pay the additional Initial Franchise Fee for that Territory. To be eligible to purchase an additional contiguous Territory, you must not be in breach or default of any agreement with us, and you must meet our then-current criteria for expansion. Any additional Territories to be purchased are subject to final approval by us. As described in Item 12 of this Disclosure Document, your Designated Market Area will consist of one or more Territories and will range in size depending on the number of Territories. Your Designated Market Area will be largely based on current Zip Code boundaries.
3. These figures include only (i) the total estimated initial investment required to open the initial Territory as outlined in Table 7(A) of this Item, except for the Initial Franchise Fee for the initial Territory; and (ii) the Initial Franchise Fee for the 2-Pack, 3-Pack, 4-Pack, and 5-Pack multi-Territory offerings, as applicable. These figures do not include the estimated initial investment required to open and commence operating your second, third, fourth, and fifth Territories for the first three (3) months. You will incur additional initial investment expenses as you develop and launch each such additional Territory. You may enter into one Franchise Agreement for more than one Territory.
4. You may be permitted to develop additional Territories beyond the 5-pack set forth in Table 7(B) if we determine, in our sole and absolute discretion, that the market can accommodate additional Territories and you have demonstrated your financial ability to operate additional Territories. The Initial Franchise Fee for the purchase of additional Territories beyond the 5-pack will be \$20,000 for each Territory.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

When you sign the Franchise Agreement, you must also sign the then current Software License Agreement to license and use the required software and pay to us an ongoing license fee. —Software and Support Fee

amounts to an insignificant percentage of your annual expenses to operate your Business. In the fiscal year ended September 30, 2024, our revenue from software maintenance and related fees was \$223,114 or 1.22% of our total revenue of \$18,345,076 based on our audited financial statements.

Specifications and approved suppliers are necessary to ensure high quality and service throughout the country and to promote uniformity throughout all the franchised The Maids® Businesses. There are no goods or services required in the operation of a The Maids® franchise for which we or persons affiliated with us are the only approved suppliers, with the exception of the required software and the SMART Start package.

The materials contained in the SMART Start Package are described in the Operations Manual. The purchase of the SMART Start Package will constitute approximately 12.5% of the expenditures to establish your The Maids® Business. In the fiscal year ended September 30, 2024, our revenue from the SMART Start Package purchases was \$180,900 or 0.99% of our total revenue of \$18,345,076 based on our audited financial statements.

You must operate your The Maids® Business and use the Marks in full compliance with the Business System and the Online Operations Manuals. In particular, you must use and offer each of the systems, services, equipment and products we designate. You are not allowed to use or offer any systems, services and/or products not approved by us.

We may contract with certain approved suppliers who provide volume discounts, rebates and other cash payments or a percentage of their sales of approved supplies to our franchisees. ~~We may use this money~~ We and our affiliates reserve the right to derive revenue and material consideration on account of franchisee purchases and leases without restriction. We may use this money as we deem appropriate in our sole discretion, including, without limitation to defray our administrative and overhead costs and expenses. For the fiscal year ended September 30, 2024, we did not ~~collect~~ derive any ~~such payments~~ revenue on account of required franchisee purchases or leases from ~~approved~~ unaffiliated system suppliers, ~~but~~. We may ~~do~~ sderive revenue on account of franchisee purchases and/or leases without restriction in the future.

For the fiscal year ended September 30, 2024, TMI's National Sales Center generated revenues from franchisees of \$288,125 or 1.57% of our total revenue of \$18,345,076 based on our audited financial statements.

Collectively, the purchases described above are about 22% to 28% of your overall purchases and leases in establishing the Franchised Business, and 78% to 72% of your overall annual purchases and leases in operating the Franchised Business.

You must use only supplies, equipment, certain computer hardware and software, and other items used in your The Maids® Business that we specify and approve, including certain Mr. Clean® branded products. We, an affiliate or a third-party vendor or supplier periodically may be the only approved supplier for certain products. If you wish to use any supplies or equipment not specifically approved by us, you must submit sufficient specifications to us for examination to determine whether the item and/or supplier meets our standards. We will make our determination and communicate our decision to you within 90 days. You may be responsible for the cost of the evaluation, including a reasonable amount for the time spent by our employees.

Before opening your The Maids® Business, you must purchase or lease at least one four-door automobile wrapped or decaled to The Maids® brand standards.

In addition, you must subscribe to an electronic mail service provider and install connection to the Internet

using the fastest high-speed service provider reasonably available (excluding dial up). We use electronic mail and The Maids® intranet to transmit messages, mailings and other data to our franchisees. You are required to submit weekly reporting data to us electronically. You can also use The Maids® intranet to access important information from the online resource library.

You must carry general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate (and with a deductible no greater than \$100,000), vehicle insurance with coverage of at least \$1,000,000, all risks property insurance coverage, which must include fire and extended coverage, third-party fidelity insurance coverage with coverage of at least \$25,000, and all insurance required by law. Your insurance policies must name us and The Proctor & Gamble Company (“P&G”) as an additional insured. All insurance must be underwritten by an insurance company that has been rated at least A-VI by the most recent edition of Best’ Insurance Report. Item 7 of this Disclosure Document describes the estimated cost of the required insurance coverage.

Except as disclosed above, as of the issuance date of this disclosure document, we do not receive revenue or any other material consideration as a result of required purchases or leases, nor do we provide material benefits to you based on your use of designated or approved sources. We currently are the only approved supplier for the required software and the SMART Start Package. Some of our officers own an interest in us. Our officers do not own an interest in any other supplier.

For the benefit of franchisees, we may, but are not contractually obligated to, negotiate with certain suppliers to obtain competitive prices on cleaning solutions, insurance, equipment, advertising and uniforms. We are not aware of any formal distribution cooperatives.

Item 9

FRANCHISEE’S OBLIGATIONS

This table lists your principal obligations under the franchise or 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	Not applicable	<u>Items 11 and 12</u>
b.	Pre-opening purchases/leases	Articles 5 and 11 of Franchise Agreement	Items 5 and 8
c.	Site development and other pre-opening requirements	Not applicable	<u>Not applicable</u>
d.	Initial and ongoing training	Article 9 of Franchise Agreement	Items 6 and 11
e.	Opening	Article 16.1(A) of Franchise Agreement ⁹	Item 11
f.	Fees	Articles 5, 6, 7, and 11 of Franchise Agreement	Items 5 and 6
g.	Compliance with standards and policies/Operations Manuals	Articles 8, 11 and 13 of Franchise Agreement	Item 11
h.	Trademarks and proprietary information	Articles 4 and 8 of Franchise Agreement	Items 13 and 14
i.	Restrictions on products/services offered	Articles 11. 409 and 11.11 of Franchise Agreement	Item 16

	Obligation	Section in Agreement	Disclosure Document Item
j.	Warranty and customer service requirements	Article 11 of Franchise Agreement	Item 11
k.	Territorial development and sales quotas	Article 6.2 of Franchise Agreement	Items 6 and 12
l.	Ongoing product/service purchases	Article 11.4312 of Franchise Agreement	Item 8
m.	Maintenance, appearance and remodeling requirements	Articles 11.5, 11.8 and 11.910 of Franchise Agreement	Item 11
n.	Insurance	Article 12 of Franchise Agreement	Items 7 and 8
o.	Advertising	Articles 6.43, 6.54, 7 and 11.7 of Franchise Agreement	Items 6 and 11
p.	Indemnification	Article 2420 of Franchise Agreement	
q.	Franchisee's participation/management/staffing	Article 11.2719 of Franchise Agreement	Items 11 and 15
r.	Records/reports	Article 13 of Franchise Agreement	Item Items 6
s.	Inspections/audits	Articles 11.2420 and 13.6 of Franchise Agreement	Items 6 and 11
t.	Transfer	Article 15 of Franchise Agreement	Item 17
u.	Renewal	Article 3 of Franchise Agreement	Item 17
v.	Post-termination obligations	Article 18 of Franchise Agreement	Item 17
w.	Non-competition covenants	Article 19 of Franchise Agreement	Item 17
x.	Dispute resolution	Article 2423.2 of Franchise Agreement	Item 17
y.	Personal Guaranty	Article 192.3 of Franchise Agreement	Item 15

Item 10

FINANCING

~~Except as stated below, we, our agents, and our affiliates. We do not offer no direct or indirect financing arrangements, and we, our agents, and our affiliates do not receive payment or other consideration for the placing of financing, or. We do not guaranty any guarantee your note, lease, or other obligation you enter into for your The Maids® Business.~~

~~We, in our sole discretion, may offer financing to new and existing franchisees, of up to 80% of the Initial Territory Fee for the purchase of territories. Financing is not offered for any other purpose either in connection with the establishment or the operation of a The Maids® franchise.~~

~~If you qualify and accept financing from us, you must sign the Promissory Note and the Security Agreement attached as Exhibit G to this Disclosure Document. The Promissory Note will provide for an interest rate of 2.75% above the current national prime rate. As of September 30, 2024, the current national prime rate was 8.00% and consequently we charged an annual percentage rate of 10.75%. In no event will we charge an interest rate that exceeds the maximum allowed by law. The Promissory Note must be paid by electronic funds transfer in scheduled monthly installments of not more than 84 months if you are a new franchisee and not more than 60 months if you are an existing franchisee. If you are a new franchisee we will defer all payments and interest for 24 months from the date of your franchise~~

~~agreement. The Promissory Note may be prepaid at any time without penalty. You and your spouse must personally guaranty the Promissory Note. We will retain a security interest in your The Maids® Business or other assets.~~

~~Under the Promissory Note, you waive: (1) the right to claim or enforce any right of offset, counterclaim, recoupment or breach in any action brought to enforce your obligations under the Note (Section 7); (2) demand, presentment for payment, notices of nonperformance or nonpayment, protest and notice of protest, notice of dishonor, diligence in bringing suit and notice of acceleration and nonpayment may be extended or Note renewed (Section 8); (3) questions of governing law, personal jurisdiction and convenience of forum and venue (Sections 14 and 16); (4) trial by jury (Section 15); and (5) all claims that you may have against us and any persons and entities related to us, other than our obligations under the Franchise Agreement accruing on and after the date of the Promissory Note. If any of the events of default described in Section 5 of the Note occur, the entire unpaid principal and accrued interest of the Note will become immediately due and payable without further notice. Under Section 9 of the Note, you agree to pay all of our expenses and costs of collection, including attorneys' fees and expenses, court costs, costs of sale and costs of maintenance and repair we incur in connection with the enforcement of the Note, collection of amounts due and sale or other disposition of any collateral.~~

~~Under the Security Agreement, you waive: (1) questions of governing law, personal jurisdiction and convenience of forum and venue (Sections 7.3 and 7.5); and (2) trial by jury (Section 7.4).~~

~~A default under the Franchise Agreement or any other agreement with us constitutes a default under the Promissory Note (Section 5) and the Security Agreement (Section 5). A default under the Promissory Note or the Security Agreement constitutes a default under the Franchise Agreement, which gives us the right, among other remedies, to terminate the Franchise Agreement. We require you to sign a Personal Guaranty to the Franchise Agreement.~~

~~We may assign or discount any Promissory Note you sign.~~

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

Assistance Before Opening

Before you open your business, we will:

1. Define your Designated Market Area. (Franchise Agreement-Article 1 and Exhibit A of Franchise Agreement).
2. Provide "SMART Start Set-Up" to introduce you to our Business System and familiarize you with operating a The Maids® Business. The SMART Start Set-Up is described more fully below (Franchise Agreement-Article 9.1).
3. Provide "SMART Start Training" to educate you about the methods and procedures of operating a The Maids® Business (Franchise Agreement-Article 9.2). The SMART Start Training is described more fully below.

4. Provide on-site “Power Training” to support you and your manager(s). Power Training is described more fully below.
5. Provide the SMART Start Package necessary to begin operating your The Maids® Business to start-up franchisees (Franchise Agreement-Article 5.5).
6. License you the required software that is needed to manage your The Maids® Business (Franchise Agreement-Article 5.5).
7. Provide a list of suppliers and sources we have approved (Franchise Agreement-Article 10.1).
8. Provide you with access to our Online Operations Manuals. The Table of Contents of the Online Operations Manuals is attached as Exhibit ~~II~~ to this Disclosure Document.
9. Provide advertising and marketing recommendations for your The Maids® Business (Franchise Agreement-Article 10.1).
10. Provide the standards and specifications for your employees’ standard attire (Franchise Agreement-Article 11.19).

Assistance During the Operation of The Maids® Business

During the operation of your The Maids® Business, we will:

1. Review your The Maids® Business periodically and may provide you written reports (Franchise Agreement-Article 10.1).
- ~~2. ——— Protect the Marks and Business System legally (Franchise Agreement Article 4.5).~~
- ~~3.2.~~ Provide you with access to the Online Operations Manuals (Franchise Agreement-Article 8.2).
- ~~4.3.~~ Provide a list of suppliers and sources we have approved (Franchise Agreement-Article 10.1).
- ~~5.4.~~ Provide recommendations to you regarding basic accounting and business practices (Franchise Agreement-Article 10.1).
- ~~6.5.~~ Provide assistance in obtaining required insurance (Franchise Agreement-Article 10.1).
- ~~7.6.~~ ~~Conduct~~At our option, conduct a National Convention for all franchisees (Franchise Agreement-Article 10.1).
- ~~8.7.~~ ~~Publish~~At our option, publish and distribute a periodic newsletter to franchisees (Franchise Agreement-Article 10.1).
- ~~9.8.~~ Provide advisory services as we deem appropriate by telephone or in writing (Franchise Agreement-Article 10.1).
- ~~10.9.~~ Provide on-site consulting services in your Designated Market Area upon your written request (Item 6 of the Disclosure Document; Franchise Agreement-Article 10.2).

Training

We provide the following training programs to you:

SMART Start Set-Up. We will provide a pre-opening program (“SMART Start Set-Up”) to teach you about The Maids® Business System and the operation of a The Maids® Business (See Article 9.1 of the Franchise Agreement) and coach you through the set-up of your business. This is a coaching program which our staff provides you ~~either~~ over the telephone and Internet and/or at ~~its~~our corporate headquarters, a designated training facility, or at such other location as may be designated by TMI. As of the issuance date of this Disclosure Document, our corporate headquarters is located in Omaha, ~~NE~~Nebraska. Our SMART Start Set-Up will include topics such as the purchase of insurance, automobiles, office equipment and computer equipment. Other topics covered include: best practices in recruiting and hiring your employees, introduction to our cleaning system, and initial advertising. Prior to attending SMART Start Training, you must complete the SMART Start Set-Up to our satisfaction. You must complete the SMART Start Set-Up program within 120 days of signing your Franchise Agreement and before you open your The Maids® Business.

SMART Start Training. Once you have completed the SMART Start Set-Up, we will provide up to 5 days of training ~~in Omaha, Nebraska for you~~ to teach and familiarize you with the methods and procedures of operating a The Maids® Business-. The training may take place at our corporate headquarters, a designated training facility, or at such other location as may be designated by TMI. As of the issuance date of this Franchise Disclosure Document, our corporate headquarters is located in Omaha, Nebraska (Franchise Agreement-Article 9.2). The same training staff as described in Note 2 above will participate in our SMART Start Training. Our training program (“SMART Start Training”) is described below. You must attend and successfully complete our SMART Start Training to our satisfaction.

We expect the SMART Start Set-Up and SMART Start Training to take you approximately 5-7 weeks to complete depending on the amount of time you devote to training.

We generally hold SMART Start sessions every 6 to 8 weeks, or approximately 6 to 8 times a year, although dates may change and sessions may be added or rescheduled depending on the number of people enrolled.

SMART Start classes cover the topics described in the following chart. Topics covered during these classes include key success indicators, sales, advertising, employee and customer recruiting and retention best practices, pricing, software, safety, and our cleaning system:

SMART START SET-UP and SMART START Training⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Managerial	40 hours		Via Telephone telephone, Internet, and Omaha, NE /or at our corporate headquarters or at a designated field training facility
Marketing	5 hours		Via Telephone telephone, Internet, and Omaha, NE /or at our corporate headquarters or at a designated field training facility
Operations	15 hours	12 hours	Via Telephone telephone, Internet, and Omaha, NE /or at our corporate headquarters or at a designated field training facility
Software	20 hours		Via Telephone telephone, Internet, and Omaha, NE /or at our corporate headquarters or at a designated field training facility
TOTAL HOURS	Minimum of 80 hours	Minimum of 12 hours	

Notes:

1. Time and content are subject to change without notice.
2. As of the issuance date of this Disclosure Document, our corporate headquarters are located in Omaha, Nebraska.
- 2.3. Erin Bishop, our Vice President of Learning, supports all aspects of our training program. Ms. Bishop has been employed by us since 1999 in variety of training roles.
- 3.4. Instructional Materials include the Online Operations Manuals, training guides, job aids, e-learning videos, Webinars and other resource documents.
- 4.5. To complete the SMART Start Set-Up and SMART Start Training agendas, you will need to devote time to Webinars, telephone calls, and the other self-paced resource materials provided to you. SMART Start Set-up takes place in the weeks prior to The Maids® SMART Start Training ~~in Omaha, Nebraska~~ at our corporate headquarters or at a designated training facility.

You are responsible for all wages, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance, travel costs, lodging, food, automobile rental and other expenses for all persons attending this training. You **must** complete the SMART Start program before you open your The Maids® Business.

We recommend you have at least two individuals, at all times, working in the Business who have successfully completed our SMART Start program. We recommend that at least one individual has successfully completed the program within the last five years.

Following SMART Start Training and prior to opening your The Maids® Business, we recommend you employ at least three team members. Team members perform in-home cleaning duties. You may choose to hire a general manager, which is typically only hired if the franchisee does not plan to be involved in the day-to-day operations. A general manager would be responsible for the day-to-day operations and manages all facets of the business, including business planning, customer retention, employee retention and adherence to all laws and policies.

You will have sole authority and control over the day-to-day operations of your The Maids® Business and its employees. You will be solely responsible for recruiting and hiring the person you employ to operate your The Maids® Business. You will also be responsible for their training, wages, taxes, benefits, safety, work schedules, work conditions, assignments, discipline and termination for compliance with all workplace related laws. At no time will you or your employees be deemed employees of TMI or our affiliates.

This training program is provided to protect our brand and the Marks and not to control the day-to-day operation of your The Maids® Business.

Power Training. Within 90 days of opening your The Maids® Business, we will provide a training program ("Power Training") that consists of a minimum of one onsite visit by one of our staff members to provide on the job training for your manager.

On-Site Visit. We may also provide additional requested on-site training for you or your manager during the term of the Franchise Agreement (Franchise Agreement-Article 9.4). We reserve the right to impose a charge of up to \$250 per day plus trainer expenses for additional training depending upon the type, location

and duration of the training provided. You pay the wages, fringe benefits, workers' compensation, and federal and state unemployment compensation for your employees who attend the optional additional training courses we offer.

Web-Based Training. At our discretion, online training may be provided for management staff via webinar at no charge. Optional fee-based courses may also be provided. In addition, numerous self-paced pay-per-use courses are available via the online catalog on our e-learning platform-.

Performance Consulting. After you begin operating your The Maids® Business, our staff will provide support by telephone or other means of communication (Franchise Agreement-Article 9.3). During this phase of the SMART Start Set-Up Program, our staff will work with you to monitor the operation of your The Maids® Business and to assist in your understanding of The Maids® Business System.

National Convention. You must attend each of The Maids® National Conventions which we hold periodically, but not more than once a year.

Computer System(s)

You ~~will receive in your Smart Start package, must purchase and use~~ computer hardware and software ~~that meet our standards and specifications for the computer software, hardware (-, including~~ desktops or laptops) and internet connections, that meet our standards and specifications as well as all modifications, upgrades and updates to these standards and specifications (Franchise Agreement-Article 11.26). ~~-Computer~~ hardware standards and specifications are set to ensure the computer systems can run the required software programs utilized in The Maids® Business.

Technology

Technology Innovation Fund Fee. You will pay to us a Technology Innovation Fund Fee from .25% to 1% of your weekly Gross Revenues, with a cap of \$15,000 per franchisee. Other The Maids® franchisees may also pay a Technology Innovation Fund Fee in the amount specified in their Franchise Agreements, which may be different from the amounts you pay.

We will deposit the Technology Innovation Fund Fees collected from franchise owners into The Maids® National Technology Fund, ~~which is kept separate from our other funds.~~ The Technology Innovation Fund Fees will be used by TMI to purchase and pay for the research, development and utilization of technologies, and franchisee incentives in order to give The Maids® franchises a competitive advantage in operational efficiency; information management; any and all other technology TMI deems beneficial for the System; and any administrative costs and expenses related to these technologies. For example, TMI may use the Technology Fund to create and maintain websites, intranets, software, and all other existing and future forms of electronic communications. We will prepare an annual statement of funds collected and costs incurred by The Maids® National Technology Fund, and will furnish it to you within 90 days of our fiscal year end upon your written request ~~for the previous year.~~ The balance of monies retained by the Technology Fund is carried over to pay for future technology advancements. We have no fiduciary duty to you with respect to the collection or expenditure of Technology Innovation Fund Fees, and any Technology Fund will not be a trust or escrow account.

We reserve the right to increase the amount of the weekly Technology Innovation Fund Fee. In addition, we will give 90 days' written notice before assessing increased Technology Innovation Fund Fees. Any increase will not exceed the maximum of 1% of the Franchisee's weekly Gross Revenues and will be annually capped at \$15,000 per franchisee per year.

As of January 2025, the hardware, software and internet standards are as follows:

Hardware, Software and Internet

Minimum Computer Requirements:

Operating System	Microsoft Windows 10 or macOS Catalina 10.15
Performance	8 GB RAM; 256 GB SSD
Monitor	24" Wide LCD
Software	Office 365

Minimum Internet Bandwidth Recommendations:

Min Bandwidth-Down/Up	Preferred Bandwidth-Down/Up
100/10 Mbps	300/30 Mbps

Additionally, it is required that you have high speed broadband Internet service to facilitate sending/receiving electronic correspondence, the required electronic submission of weekly reporting data and accessing the learning management system training resources.

It is your responsibility to maintain your hardware and software in good operating condition. We are not obligated to provide maintenance or general technical support for the computer systems, networking technologies or Internet services.

Licensing and use of the software is required. You must pay us the monthly Software and Support Fee of \$140 per month, plus an additional \$85 per month for each additional office. The Software License Agreement is attached as Exhibit E. We reserve the right to modify this support program and pricing with 30 days prior notice as described in Item 6.

We may provide you with periodic upgrades, replacements, and enhancements to the software and specific timeframes in which the software must be upgraded or replaced. Business software upgrades are included as part of your Software License Agreement. You must use the required software at your expense. The software will be used to assist in daily operational and sales functions, such as tracking, scheduling and reporting cleans, maintaining a database of prospects and clients, and reporting sales, labor expense, cleans and various other operational figures to us. You will have access to this data through software reports and other reports we compile. You must provide us online access to data maintained by you on the required software, which will grant us independent access to the information and generated and stored on your system. These online access rights will allow us to provide to you software maintenance and training and will allow the electronic transfer of data between you and us.

We have no obligation to update, upgrade or otherwise modify any software, including the required software.

Also, you must agree to comply with the then-current Payment Card Industry Data Security Standards as those standards may be revised and modified by the PCI Security Standards Council, LLC (see www.pcisecuritystandards.org), or any successor organization or standards that we may reasonably specify. Among other things, you agree to implement the enhancements, security requirements, and other standards that the PCI Security Standard Council (or its successor) requires of a merchant that accepts payment by credit and/or debit cards. You must pay any fees imposed by your credit card processor associated with PCI compliance. You must process all credit cards through designated credit card processing providers.

Time of Opening

Generally, you will open your The Maids® Business within 120 days of signing the Franchise Agreement. Factors which will affect your opening date include leasing your business office, financing, completing SMART Start Set-Up, SMART Start Training and complying with local ordinances. You must open your The Maids® Business within 60 days after completing Smart Start Training.

Advertising

You will pay to us AdvertisingMarketing Fund Fees equal to 2% of Gross Revenues. We reserve the right to increase the amount of the weekly AdvertisingMarketing Fund Fee. We will review any proposed increase with the Advisory Council. In addition, we will give you 90 days' written notice before assessing increased AdvertisingMarketing Fund Fees. Any increase will not be more than 1/2 of 1% in a two-year period. Other The Maids® franchisees also pay AdvertisingMarketing Fund Fees in the amounts specified in their Franchise Agreements, which may be different from the amounts described in this Item 11. In addition, each The Maids® Business that we operate will pay AdvertisingMarketing Fund Fees in the amounts above. The Maids® National AdvertisingMarketing Fund does not receive contributions from outside vendors or suppliers.

We deposit the AdvertisingMarketing Fund Fees collected from The Maids® franchisees into The Maids® National AdvertisingMarketing Fund, ~~which is kept separate from our other funds~~ (Franchise Agreement-Article 7.5). The AdvertisingMarketing Fund Fees ~~are~~may be used for, without limitation: research and development; market research; customer retention; incentive programs; sales development programs; media planning; telemarketing communication and education; creating and producing advertising materials; outside advertising agency fees for creating advertising programs; public relation activities; outside public relations agency fees; other programs from time to time that may be beneficial to The Maids® System; and reimbursing us the costs of administering and conducting the advertising program. We do not intend to use the Marketing Fund Fees for advertising that principally is a solicitation for the sale of franchises, except that we may use/display the phrase "Franchises Available" on all advertising/marketing or other activities covered by the Marketing Fund.

During our last fiscal year ended September 30, 2024, a total of \$2,883,664 was spent by The Maids® National Advertising Fund. 38.66% was spent on consumer advertising, 23.50% was spent on social media, 8.46% was spent on marketing research, 7.35% was spent on sales training, 11.68% was reimbursed to us for administrative expenses, 5.99% was spent on franchise growth incentives, 2.13% was spent on advertising production and 2.23% was spent on an Advisory Council. We are not obligated to invest any amount of the Advertising Fund Fees on advertising in your Designated Market Area. No expenditures were made from The Maids® National Advertising Fund for soliciting prospective franchisees. We prepare an annual statement of funds collected and costs incurred by The Maids® National Advertising Fund and will furnish it to you upon written request. The balance of monies retained by the Advertising Fund is carried over to pay for advertising programs during our next fiscal year. We have no fiduciary duty to you with respect to the collection or expenditure of Advertising Fund Fees, and any advertising fund will not be a trust or escrow account. Except as described in this Item 11, we are not obligated to conduct any advertising programs for the franchise system.

We have established an Advisory Council currently comprised of ten- franchisees and one franchisor representative. The council members are selected for three-year terms by a general vote of all The Maids® franchisees. Council members must have been franchisees for a minimum of twenty-four months and be in good standing with us. The Advisory Council is designed to provide us with a regular forum regarding advertising, technology, and other business developments, and to provide you with recognized leaders to whom you can turn to for advice. The Council reviews The Maids® National AdvertisingMarketing Fund's

expenditures and provides advice on new advertising materials. The Council is not a policy making board but can recommend policy direction. We may modify or dissolve the Advisory Council at any time.

In addition to the ~~Advertising~~Marketing Fund Fee you pay to us, you must invest a minimum ~~of \$3,750~~ per month on the local advertising of your The Maids® Business ~~during the first twelve months~~ (“Local Advertising Requirement”). The amount of the Local Advertising Requirement will depend on the number of ~~your operation and Territories~~ purchased, according to the following: ~~\$2,000~~500 per month ~~during for~~ the first Territory; an additional \$500 per month for the second ~~twelve months of your operation~~ Following the first twenty four months of your operation, you will be required to invest a minimum of 0.7% of your ~~Gross Revenues per year~~ Territory; and an additional \$250 per month for each additional contiguous Territory ~~beyond the second Territory~~. Except for the advertising materials which we provide to you, we must approve, in writing, all concepts, materials or media which you propose for any local advertising or marketing before you use it in your advertising. If you fail to invest the required Local Advertising Requirement in any month, then, in addition to any other remedies available to us under this Agreement, we may require you to deposit with us the difference between the Local Advertising Requirement and what was actually spent for approved advertising and promotion. We may use such amount in your Designated Market Area for advertising or promotion that we deem, in its sole discretion, to be in the best interests of the Franchised Business.

We reserve the right to increase the ~~amount of the weekly advertising fee~~ Local Advertising Requirement by not more than 1/2 to 1% in a two-year period. We will review any proposed increase with the Advisory Council. ~~In addition, we and will give~~provide 90 days’ written notice before assessing ~~increased advertising fees~~. Any such increase will not be more than 1/2 of 1% in a two-year period in the Local Advertising Requirement.

We do not require you to participate in an advertising cooperative.

You will have the absolute right to sell all products and services to your customers and clients at whatever prices and on whatever terms you deem appropriate. We may, but are not required, to assist you ~~on~~with establishing such prices upon your reasonable request.

Site Selection

We do not choose the location for your The Maids® franchise. Your business office must be in a commercial building that we approve and cannot be in a residential structure. Additionally, your office does not need to be within your Designated Market Area; however, your office cannot be located in the Designated Market Area of another franchisee unless agreed to in advance in writing by us and such other franchisee.

Item 12

TERRITORY

~~We will work with~~Except for the rights reserved by us as described below, the Franchise Agreement grants you ~~to customize certain rights within~~ your Designated Market Area. — set forth in Exhibit “A” to the Franchise Agreement. Your Designated Market Area ~~will~~may consist of one or more Franchise Territories. ~~Designated Market Areas and will~~ range in size depending on the number of Territories. In August 2025, we reconfigured the methodology used to calculate a Territory size as follows: the number of households in a single Franchise Territory ranges from approximately 6090,000 to 168150,000 households. The number of households may be higher or lower based on the local demographic data of the Franchise Territory. As of the date of the Disclosure Document, we use data provided by GbBis and other demographic sources as

~~needed. Your Designated Market Area (which will consist of the number of Franchise Territories you purchase) will be defined by hard~~largely based on current Zip Code boundaries, such as streets, highways, rivers, or other identifiable physical boundaries. ~~We will describe your Designated Market Area in writing in Exhibit "A" to the Franchise Agreement.~~ Your Designated Market Area and the Franchise Territories within your Designated Market Area cannot be altered except by mutual written agreement during the term of your Franchise Agreement.

~~Your Designated Market Area is exclusive. A Franchise Territory is approximately 24,000 households. The number may be higher or lower based on~~If you are in compliance with the local demographic data~~terms of the Franchise Territory. As of the date of the Disclosure Document, we used data provided by GbBis and other demographic sources as needed.~~

~~So long as your Franchise Agreement is in effect, we may, and subject to our reserved rights, as disclosed below, we will not open~~operate, or grant to any other The Maids® ~~Businesses, company owned or franchised,~~franchisee the right to operate, a The Maids® Business within ~~your~~the Designated Market Area without your written permission. - If, however, you fail to cure a breach of your Franchise Agreement after we give you written notice of the breach or if we terminate your Franchise Agreement, then we may, or we may grant others the right to, without your permission, offer The Maids® services within your Designated Market Area. ~~The rights granted to you are not dependent upon achieving certain sales volume, market penetration or any other contingency.~~

Following the first twelve months of your operation, if you fail to achieve weekly Gross Revenues which would result in a Continuing License Fees calculation equal to or less than the weekly Minimum Continuing License Fees as described in Item 6, more than six (6) different weeks in a twelve (12) month period, we have the right, but are not required, to: (i) modify or reduce the size of the of your Designated Market Area; or (ii) terminate the Franchise Agreement.

You may locate your business office outside your Designated Market Area-; ~~however, you may not locate your business office in the Designated Market Area of another franchisee unless agreed to in advance in writing by us and such other franchisee.~~ If you give us written notice, you may relocate your business office.

If you operate your The Maids® Business, service customers, and/or locate your office in the Designated Market Area of another franchisee; (without obtaining such prior approval as to the office location), you will be in breach of your Franchise Agreement and subject to our default and termination rights. - In addition to our default and termination rights, you will also owe compensation (up to 100% of the Gross Revenue earned) to the franchisee whose Designated Market Area you infringed upon. Other The Maids® Businesses are not authorized to solicit or serve customers in your Designated Market Area.

TMI currently offers a National Alliance Program that allows participating franchisees to receive customer leads located in ~~zip codes~~Zip Codes outside of any existing Designated Market Area, as described in the Online Operations Manual. If we award a franchise for a Designated Market Area that includes any ~~zip codes~~Zip Codes serviced by you under the National Alliance Program, you must immediately stop servicing customers for those ~~zip codes~~Zip Codes and transition all your customers in those ~~zip codes~~Zip Codes over to the new franchisee without any compensation. - We may alter or terminate this program at any time.

You may never solicit or serve customers in any other franchisee's Designated Market Area, including using other channels of distribution, such as the Internet. -You are not granted a right of first refusal or other right pursuant to the Franchise Agreement to purchase any additional The Maids® franchises.

Reserved Rights: We expressly reserve the right, among others:

1. To use, and to license others to use, the Marks and System for the operation of Franchised Businesses at any location other than in your Designated Market Area, regardless of proximity to your Designated Market Area;

2. Although we have not done so and have no current plans to do so, ~~we~~establish, or authorize an affiliate ~~may~~to establish, with no compensation to you, other franchises or company-owned businesses or another channel of distribution within your Designated Market Area which sell or lease any similar products or services under the same or different trademarks, but are not directly competitive with the goods and services offered in The Maids® Business. If you are in compliance with the terms of your Franchise Agreement, we will not operate, or grant to any other The Maids® franchisee the right to operate, a The Maids® Business within the Designated Market Area.;

~~Following the first twelve months of your operation, if you fail to achieve weekly Gross Revenues which would result in a Continuing License Fees calculation equal to or less than the weekly Minimum Continuing License Fees as described in Item 6, more than 6 different weeks in a 12 month period, we have the right, but are not required, to: (i) modify or reduce the size of the of your Designated Market Area; or (ii) terminate the Franchise Agreement.~~

~~We reserve the right to directly or indirectly sell any proprietary products we develop through alternative methods of distribution, such as the Internet, without compensation to you.~~

3. To engage in any transaction, including to purchase or be purchased by, to merge or combine with, to convert to the System or be converted into a new system with any business, including such businesses operated by competitors or otherwise operated independently or as part of, or in association with, any other system or chain, whether franchised or corporately owned and whether located inside or outside of the Designated Market Area, provided that in such situations the newly acquired businesses may not operate under the Marks in the Designated Market Area;

4. To implement National Accounts or multi-area marketing programs which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such National Accounts or multi-area marketing programs;

5. To operate and use any websites utilizing a domain name incorporating the words “The Maids,” any of our Marks, and/or similar derivatives thereof. We retain the sole right to market on the internet and use the Marks on the internet, including all use of websites, domain names, URLs, directory addresses, metatags, linking, advertising, and co-branding and other arrangements. You may not independently market on the internet, or use any domain name, address, locator, link, metatag, or search technique, with words or symbols similar to the Marks or otherwise establish any presence on the internet without our prior written approval; and

6. To open or sell a Franchised Business inside the Designated Market Area and Territory at any time following the termination or expiration of the Franchise Agreement.


You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Item 13

TRADEMARKS

You are licensed to operate your business under the name “The Maids®” together with the name “Mr. Clean.” -You are also authorized to use the ~~logo which appears on trademarks and service marks in the cover page of this Disclosure Document and table below, along with~~ the Mr. Clean logo. You may only use ~~our~~the Marks in the manner we authorize in writing.

The Marks are owned by us and are licensed to you. The following is a list of the trademark and service mark registrations ~~of our primary Marks that we own~~ on the Principal Register of the United States Patent and Trademark Office:

Mark		Registration No.	Registration Date	Type of Mark
<u>THE MAIDS</u>	<u>THE MAIDS</u>	<u>2,247,181</u> <u>Principal Register</u>	<u>May 25, 1999</u>	<u>Service Mark</u>
THE MAIDS and Star Design		4,197,823 Principal Register	August 28, 2012	Service Mark
22-STEP HEALTHY TOUCH	22-Step Healthy Touch® Deep Cleaning System	4,198,603 Principal Register	August 28, 2012	Service Mark
REFERRED FOR A REASON	Referred for a reason.®	3,993,901 Principal Register	July 12, 2011	Service Mark

In addition, you must use the Mr. Clean® trademark in the operation of your The Maids® Business. P&G and we have entered into a license agreement dated March 31, 2018, under which we have the right to use, and license you the right to use, the “Mr. Clean” trademark in connection with providing home cleaning services. P&G owns common law rights in and several trademark registrations for the Mr. Clean trademark, including Registration Number 2,493,607 registered on September 25, 2001 and Registration Number 3,094,001, registered on May 16, 2006. P&G may terminate the license agreement if we or our franchisees fail to comply with terms of the license agreement, including failure to have our franchisees use the Mr. Clean trademark, failing to pay the license fee or improper use of the trademark. We may terminate the license agreement for convenience if we pay a fee. The license agreement is renewable in 2-year periods. If the agreement between us and P&G terminates, you must cease using the Mr. Clean® trademark at your expense.

None of our trademarks and service marks have been registered in any state. -We have filed all necessary affidavits and renewal applications for our use of trademarks and service marks with the United States Patent and Trademark Office.

There are no presently effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or the trademark administrator in any state or any court, no pending infringement, opposition or cancellation proceeding, no pending material litigation involving the trademarks which have limited or restricted the use of our trademarks, trade names, service marks or commercial symbols in any state.

Except as described above, there are no agreements currently in effect which significantly limit our rights to use or license the use of such trademarks, service marks, trade names, logotypes or other commercial symbols in any manner material to you.

To our knowledge, there are no infringing uses which could materially affect your use of the licensed Marks or other related rights in any state. We will protect your right to use the Marks and other related rights and protect you against claims of infringement and unfair competition relating to the Marks. You must notify us immediately of any infringement or unauthorized use of the trademarks or service marks that you become aware of and cooperate with any action we undertake. We will control and conduct all litigation involving the trademarks and service marks. If anyone establishes to our satisfaction that its rights are, for any legal reason, superior to any of the Marks, then you must use such variances or other service marks, trademarks or trade names as we require, avoiding conflict with such superior rights and make such changes at your expense.

You may not use any Mark or portion of any Mark on any website or as part of any domain name without our prior written approval.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Copyrights

Although we have not applied for copyright registrations, we claim copyrights for our advertising materials, Online Operations Manuals, and other written materials. We will protect your right to use copyrighted materials.

In addition, under the license agreement with P&G, we have the right to use, and license you the right to certain copyrighted artwork. P&G has not applied for copyright registrations for those copyrights. P&G may terminate the license agreement if we or our franchisees fail to comply with terms of the license agreement, including failure to have our franchisees use the Mr. Clean trademark, failing to pay the license fee or improper use of the trademark. We may terminate the license agreement for convenience if we pay a fee. The license agreement is renewable in 2-year periods.

There are no administrative or legal proceedings or determinations that are likely to adversely affect your use of copyrighted materials, and, except as described above, there are no agreements in effect limiting our right to use or license the use of copyrighted materials.

To our knowledge, there are no potentially infringing uses of copyrighted materials which could materially affect your use of these materials. You should promptly notify us if you learn of any unauthorized use of copyrighted or proprietary materials, and we will take the actions that we determine are appropriate. If anyone establishes that its rights to these materials are superior to ours, you must modify or discontinue your use of these materials as we require.

Confidential Information

You must keep confidential our Online Operations Manuals, any supplements and any other manuals or written materials (including those on computer disks) used in your The Maids® Business. You must also keep confidential online access, such as login identification and passwords for access to proprietary TMI systems. The Online Operations Manuals contain information regarding the Business System. We consider this information a trade secret and extremely confidential. You must use all reasonable means to keep this information confidential and prevent any unauthorized copy, duplication, record or reproduction of this information. You must relinquish access to our Online Operations Manuals, any supplements and any other manuals or written materials (including those on computer disks) to us when new manuals are issued and/or when you are no longer a The Maids® franchise owner. Your employees must sign

confidentiality agreements which will require them to keep confidential, both during and after employment, all information we designate as confidential and proprietary.

Patents

No patents are material to a The Maids® franchise and we have no pending patent applications that are material to a The Maids® franchise.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You do not have to participate in the operation of your The Maids® Business; however, your The Maids® Business must be managed by a person who has completed our training program. That person need not have an equity interest in your The Maids® Business. That person and all other employees who will have access to the Online Operations Manuals must sign a written confidentiality agreement and keep confidential, both during and after employment, all information we designate as confidential and proprietary.

If the franchisee is a corporation, limited liability company, limited partnership or other similar entity, then you and your spouse and all individuals with an equity stake in The Maids® Business must personally guarantee all the franchisee's obligations to us pursuant to the Franchise Agreement. You and your spouse and all individuals with an equity stake in The Maids® Business must also promise in writing that during the term of the Franchise Agreement, you will not participate in any business that is in any way competitive with a The Maids® Business and that, for 18 months after the expiration or termination of the Franchise Agreement, you and your spouse and all individuals with an equity stake in The Maids® Business will not participate in any competitive business located within your Designated Market Area or any other designated area granted by us or within 20 miles of any of the above described areas. As a result, you will not have the right to service any customers that you obtain during the term of the Franchise Agreement for a period of at least 18 months after expiration or termination of the Franchise Agreement.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only sell the products and services we specifically approve in writing. You must sell all products and services we authorize. We have the right, without any limitation, to change the authorized goods and services sold by The Maids® Businesses. You may not sell products or services outside of your Designated Market Area, except as described in Item 12. Other than as described, there are no limits on the goods or services that you may sell or limits on your access to customers.

We do not limit or restrict your solicitation of customers in your Designated Market Area, although we own all customer information and may use the customer information as we deem appropriate (subject to applicable law), including, without limitation, sharing it with our partners for cross-marketing, customer loyalty programs or other purposes.

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	Article in Franchise Agreement	Summary
a.	Length of the Franchise Term	Article 3.1 of the Franchise Agreement	10 years
b.	Renewal or extension of the term	Article 3.2 of the Franchise Agreement	Term of then-current standard Franchise Agreement: Two renewal terms of 5 years each.
c.	Requirements for you to renew or extend	Article 3.2 of the Franchise Agreement	You must give us at least 360 days <u>9 months</u> ’ notice before your Franchise Agreement expires; <u>you have paid the renewal fee</u> ; you have complied with all material terms and conditions of the Franchise Agreement and material operating and quality standards and procedures; you have satisfied all monetary obligations owed to us; you have agreed to execute and comply with the then-current standard Franchise Agreement; <u>you execute a general release of claims</u> ; and you have completed our retraining program. The then-current standard Franchise Agreement may contain materially different terms and conditions than your original Franchise Agreement.
d.	Termination by you	Article 17 of <u>Not applicable in the Franchise Agreement</u>	If we violate any material provision of <u>You do not have a right to terminate</u> the Franchise Agreement or fail to timely pay any uncontested obligation due to you (subject to state law).
e.	Termination by TMI without cause	Not applicable in the Franchise Agreement	
f.	Termination by TMI with cause	Article 16 of the Franchise Agreement	If you breach the Franchise Agreement.

	Provision	Article in Franchise Agreement	Summary
g.	“Cause” defined – curable defaults	Article 16. 4 <u>3</u> of the Franchise Agreement	You will have 30 days to cure- <u>You will have 15 days to cure a breach or violation that is monetary in nature, including, without limitation, for the failure to pay any fee or amount due and owing to us and/or any of our affiliates. You will have 30 days to cure other breaches or violations (other than those specified as TMI’s immediate termination rights or non-curable defaults)</u> a failure to commence operations of your The Maids® Business within 30 days from the date you complete our SMART Start Training program; a violation of any material provision of the Franchise Agreement; your conviction of any law relating to your The Maids® Business or a felony; a failure to conform to the Business System; a failure to pay any uncontested fee to anyone; a determination that you are insolvent; an assignment made by you for the benefit of creditors; any check issued by you which is dishonored; a failure to pay for your vehicles, supplies and equipment before commencing business; abandonment of your The Maids® Business; any conduct which materially impairs the Marks or Business System; or a failure to pay federal, state or other income or sales tax when due; or you fail to procure or maintain insurance; you commit three violations of material terms of the Franchise Agreement-; <u>or you are in breach or default of any other agreement between you and/or your guarantors and us, our affiliates, or our designated suppliers.</u> You have 15 days to cure a failure to pay any amount due to us.
h.	“Cause” defined – non-curable defaults	Article 16. 5 <u>2</u> of the Franchise Agreement	You are convicted of any violation of law relating to your The Maids® Business or a felony; you are deemed insolvent; you make an assignment for the benefit of creditors; you abandon your The Maids® Business; you fail to provide us with your financial records or fail to allow us to audit your The Maids® Business; you fail to allow us electronic access to your data; or your conduct materially impairs the Marks or Business System and you fail to correct your breach within 24 hours-; <u>you fail to procure and/or maintain required insurance; you commit three violations of material provisions of the Franchise Agreement within any 24-month period, regardless of whether such violations have been cured; you or any personal guarantor commits an incurable default or breach of any related party agreement.</u>

	Provision	Article in Franchise Agreement	Summary
i.	Your obligations on termination/nonrenewal	Article 18 <u>17</u> of the Franchise Agreement	You must cease to be a The Maids® franchisee and cease to operate under the Business System; pay all sums and fees you owe us, <u>including liquidated damages</u> ; return to us and relinquish access to the Online Operations Manuals and all trade secrets and confidential materials, equipment and other property <u>(including copies or backups)</u> ; inform your suppliers that you are no longer a The Maids® franchisee; cease to use in advertising, or in any manner whatsoever, the name The Maids®, the Marks, any methods, procedures or techniques associated with the Business System or the Marks and remove all trade dress and other indications of operation under the Business System from your vehicles; transfer all rights to telephone numbers and directory listings to us; <u>assign customer contracts to us or our designee and</u> assist us or our designee in the transition of customers' cleaning services; refund outstanding gift certificates; return to customers all keys; and refrain from contacting customers.; <u>and comply with all post-term covenants including non-competition (subject to state law).</u>
j.	Assignment of the contract by TMI	Article 15.1 of the Franchise Agreement	No restriction on our right to assign.
k.	"Transfer" by you – defined	Articles 15.2, 15.3 and 15.4 of the Franchise Agreement	Assignment to owned or controlled corporation/business entity or assignment in the event of your death or disability; assignment of the Franchise Agreement or ownership in the franchisee.
l.	TMI's approval of transfer by you	Article 15.4 of the Franchise Agreement	We have the right You are not permitted to approve any transfer made by unless you <u>but meet the conditions of transfer, sign a general release of claims, and secure our prior written consent, which we</u> will not unreasonably withhold our consent.
m.	Conditions for TMI's approval of transfer	Article 15.4 of the Franchise Agreement	You must comply with our right of first refusal; pay all money owed to us; complete a written agreement between you and us agreeing to observe all post-term obligations; <u>enter into our designated form of consent to transfer agreement</u> ; transferee does not and will not participate in any business that is competitive with a The Maids® Business; transferee meets our standards; transferee signs our current Franchise Agreement; <u>you execute a general release of claims</u> ; transferee and transferee's manager and technical supervisor (at least two employees) complete SMART Start Training program; and you pay the transfer fee.

	Provision	Article in Franchise Agreement	Summary
n.	TMI's right of first refusal to acquire your business	Article 14.1 of the Franchise Agreement	You must first offer the sale of your The Maids® Business or Business Assets to us before selling to anyone else. After you present an offer to sell or a third party's offer to purchase your The Maids® Business or Business Assets to us, we must respond within 15 days of receiving your offer. If we begin negotiations to purchase your The Maids® Business or Business Assets, you must continue negotiations until we have agreed in writing that negotiations have terminated.
o.	TMI's option to purchase your business	Article 14.5 of the Franchise Agreement	If your Franchise Agreement is terminated or expires, we may purchase your The Maids® Business or Franchise Assets.
p.	Your death or disability	Article 15.3 of the Franchise Agreement	If you are an individual, your Franchise Agreement may be transferred to your beneficiary without first being offered to us or paying us a transfer fee. <u>You must satisfy the other conditions of transfer.</u>
q.	Noncompetition covenants during the term of the franchise	Article 18.2 of the Franchise Agreement	You, <u>the holders of all ownership interest in the franchisee entity, and the personal guarantors</u> may not participate in any business that is in any way competitive with a The Maids® Business.
r.	Noncompetition covenants after the franchise is terminated or expires	Article 18.3 of the Franchise Agreement	You may not participate in any competitive business located within the Designated Market Area, within the territory <u>or designated market area</u> of any other The Maids® Business, within any designated area granted by us, <u>or</u> within 20 miles of any of the areas above for 18 months.
s.	Modification of the agreement	Article 24.923.8 of the Franchise Agreement	Only by written agreement <u>signed by both parties.</u>
t.	Integration/merger clauses	Article 24.1023.20 of the Franchise Agreement	Only the terms of the franchise agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and franchise agreement may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Not Applicable Article 23.3; Article 23.5	<u>Following internal dispute resolution procedures, all disputes and claims must be submitted to mediation in person in the city/county and state where our current corporate headquarters is located, currently Douglas County, Nebraska (subject to state law). No disputes will be subject to arbitration.</u>
v.	Choice of forum	Article 24.723.14 of the Franchise Agreement	Litigation must be in <u>the city/county and state where our current corporate headquarters is located, currently Douglas County, Nebraska (subject to state law).</u>

	Provision	Article in Franchise Agreement	Summary
w.	Choice of law	Article 25.123.15 of the Franchise Agreement	Governing law will be the law of the state in which your The Maids® Business where our current corporate headquarters is located, currently Nebraska (subject to state law).

Item 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise. No public figure is involved in our management.

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

Below is ~~Historical Financial Performance Representation for The Maids® Businesses~~

This Item 19 discloses certain ~~historie~~historical financial performance information ~~regarding for certain The Maids® businesses that operated in the United States from July 1, 2024, through June 30, 2025 (the "Measurement Period").~~

As of the Issuance Date of this Disclosure Document, there were 111 The Maids® businesses operated by franchisees (~~"Franchisees"~~) or our in 1,425 Territories (~~"Franchised Outlets"~~). We have one affiliate that operates The Maids® business in 34 Territories in 7 states through 7 company-owned stores/offices (~~"Company Stores"~~) that operated within in the United States and Canada from October 1, 2023 through September 30, 2024. Canadian Franchisees submitted ~~Owned Outlets"~~.

Twenty-three Franchised Outlets were not in continuous operation for the full Measurement Period. The historical financial performance representation presented in this Item 19 does not include information in Canadian dollars and we convert that for 12 of these 23 Franchised Outlets (the "Excluded Outlets"). The Excluded Outlets include: (i) 11 Franchised Outlets in 13 Territories that first opened during the Measurement Period; and (ii) 1 Franchised Outlet operating in 5 Territories that did not submit complete reports. The historical financial performance representation presented in this Item 19 includes information to U.S. Dollars using the exchange rate in place at the time the information was submitted. The average of the exchange rate that we used was \$0.74 Canadian Dollar to \$1.00 US Dollars. The highest exchange rate that we used was \$0.75 Canadian Dollar to \$1.00 US Dollars, and the lowest exchange rate for 11 Franchised Outlets in 14 Territories that we used was \$0.72 Canadian Dollars to \$1.00 US Dollars. Canadian Franchisees' The Maids® businesses are substantially similar to U.S. Franchisees' The Maids® businesses closed during the Measurement Period.

~~We have not presented any information for Franchisees which were not in operation for the full period.~~

~~As of September 30, 2024, there were a total of 1,665 franchised and company-owned Territories. A total of 123 franchisees licensed and operated 1,517 of the 1,665 Territories. We operated the remaining 148 Territories. A The Maids® territory generally consists of approximately 24,000 households, although some Territories may be larger. The information presented in this report does not distinguish between Franchisees that purchased a large number of Territories and those who did not purchase a large number of Territories.~~

~~The basis for the Franchisee information presented is As of the Issuance Date of this Disclosure Document, we have adopted a modified methodology for the designation of Territories for franchises offered under this Disclosure Document, where each Territory will consist of approximately 90,000-150,000 households. The information presented in this Item 19 for the Franchised Outlets and Company-Owned Outlets assumes a Territory size of 90-150,000 households per Territory, so as to be consistent with the size of Territory offered to prospective franchisees under this Disclosure Document. (Note: This methodology is different than the methodology used for the Item 20 System-Wide Outlet disclosures, as disclosed in Note 1 to the Item 20 tables).~~

~~The Franchised Outlets submit weekly reports submitted to us by our Franchisees and Company Stores operating throughout the periods represented that form the basis for royalty payments. We calculated the averages and percentages presented in this Item 19 using exclusively the actual results reported to us by Franchisees and Company Stores. Of the 6,448 total weekly reports required from Franchisees, 2.5% or 162 were not received in time for the preparation of this statement and, therefore, could not be included in calculating the information presented. If we had received in time the missing weekly reports, the information presented in this statement may have increased or decreased depending on the information contained in the missing reports. financial performance representation in this Item 19. We have assumed that the Franchisee's information submitted by Franchisees (and which forms in substantial part the basis for the information presented in this document) Franchised Outlets is accurate, complete and contains no material misrepresentations or omissions. The information presented is, soas far as we know, based on actual experience.~~

~~The basis for the information from our Company Stores-Owned Outlets is our unaudited internal books and records.~~

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

~~This information has not been audited and is Written substantiation for the financial performance representation will be made available to youthe prospective franchisee upon reasonable request.~~

I. STATEMENT OF AVERAGE REVENUE PER CLEAN, AVERAGE REVENUE PER CUSTOMERSCUSTOMER AND, PERCENTAGE OF CLEAN BY SERVICE BY FRANCHISEEFRANCHISED OUTLET AND TERRITORY

~~The following statements are based on information reported by Franchisees that were in operation for the full 12-month period from October 1, 2023 until September 30, 2024. As of September 30, 2024 there were a total of 123 Franchisees licensed in 1,517 territories. We included information from 90 Franchisees licensed in 1,29899 Franchised Outlets operating in 329 Territories that were in operation for the entire 12-month period ended September 30, 2024full Measurement Period or closed during the Measurement Period and that submitted complete reports to us ("Reporting Franchisees"). We did not include information for 21 Franchisees in 127 territories that were not in operation for the entire 12-month~~

period ending September 30, 2024 (including 13 Franchisees in 78 Territories that opened in 2023 and 8 Franchisees in 49 Territories that completed training prior to September 30, 2024 and opened after September 30, 2024). We also did not include information for 12 Franchisees operating in 92 territories who did not submit complete reports. During the 12-month period ended September 30, 2024, 34 franchised territories were terminated, 25 franchised territories were reacquired by us, and 15 franchised territories ceased operations for other reasons. The information for those Franchisees is not included in the following statements. The statement Franchised Outlets”).

Table I includes the average revenue per clean, the average annual revenue per customer and, the percentage of total cleans by service for regular maid service ~~or special projects~~ and Special Projects.

	Average Revenue Per Clean ⁽¹⁾	Median
Regular Maid Service		
<u>Revenue Per Clean</u> ⁽¹⁾ 90 Franchisees/ 1,298 Territories	90 Franchisees/ 1,298 Territories <u>\$233.53</u>	90 Franchisees/ 1,298 Territories <u>\$223.76</u>
<u>Annual Revenue per Recurring Customer</u> ⁽²⁾ Number of Franchisees/Territories Who Met or Exceeded Averages	\$4,271.49	\$4,047.55
<u>Percentage (%) of Franchisees/Territories Who Met or Exceeded Average</u> <u>Cleans by Type of Service</u> ⁽³⁾	43.3% of Franchisees/ 44.8% of Territories <u>88.6%</u>	89.4%
Median		\$223.97
Low		\$139.55
High		\$389.47
Special Project ⁽⁴⁾		
<u>Revenue Per Clean</u> ⁽¹⁾ 90 Franchisees/ 1,298 Territories	90 Franchisees/ 1,298 Territories <u>\$360.94</u>	\$319.35
<u>Number of Franchisees/Territories Who Met or Exceeded Averages</u> <u>Annual Revenue per Recurring Customer</u> ⁽²⁾	26 Franchisees/ 469 Territories <u>\$849.05</u>	26 Franchisees/ 469 Territories <u>\$729.56</u>
<u>Percentage (%) of Franchisees/Territories Who Met or Exceeded Average</u> <u>Cleans by Type of Service</u> ⁽³⁾	28.9% of Franchisees/ 36.1% of Territories <u>11.4%</u>	28.9% of Franchisees/ 36.1% of Territories <u>11.4%</u>
Median		\$328.42
High Revenue		\$1,246.27
Low Revenue		\$149.00

Notes to Table I:

1. “Average Revenue per Clean” means the average revenue received from a customer from one cleaning project (a “Clean”). -It is calculated by dividing the total reported revenue by the total reported number of Cleans.
2. “Average Annual Revenue per Recurring Customer” means the total reported recurring revenue generated ~~in one year~~during the Measurement Period from customers that had a service plan for more than one clean or a recurring customer. ~~-(The total amount of recurring revenue is divided by the total number of customers identified as a recurring customer-).~~
3. “Percentage of Cleans by Type of Service” means the percentage of total reported number of cleans derived from regular customers and Special Project customers. -It is calculated by dividing the total reported number of cleans for each category by total reported number of cleans and multiplying by 100%~~-.~~
4. “Special Projects” are one-time projects and are not regularly scheduled cleanings.

II. STATEMENT OF HIGH REVENUE, LOW REVENUE, AVERAGE and MEDIAN REVENUE

The following statements are based on information reported by ~~Reporting Franchisees~~⁹⁹ Franchised Outlets operating in 329 Territories that were in operation for the ~~12-month period from October 1, 2023, until September 30, 2024.~~ The statementfull Measurement Period or closed during the Measurement Period and that submitted complete reports to us (“Reporting Franchised Outlets”).

Table II includes the high revenue, low revenue, and average and median revenue for the ~~12-month period from October 1, 2023, until September 30, 2024~~Measurement Period for Reporting ~~Franchisees~~Franchised Outlets and ~~territories~~Territories.

	Average	Median	High Revenue	Low Revenue	Average Revenue (Including percentage and number of franchisees that met or exceeded the average) <u>Number and Percentage of Reporting Franchised Outlets That Met or Exceeded Average</u>	Me Revenue and Pe of Re Fran Terr That Exc Avo
<u>g Franchised Outlets</u>	<u>\$1,145,087.32</u>	<u>\$766,141.00</u>	<u>\$7,238,075.58</u>	<u>\$56,688.96</u>	<u>32 (32.3%)</u>	<u>N/A</u>

		Average	Median	High Revenue	Low Revenue	Average Revenue (Including percentage and number of franchisees that met or exceeded the average) Number and Percentage of Reporting Franchised Outlets That Met or Exceeded Average	Me Revenue and Pe of Re Fran Terr That Exc Ave
\$1,200,647 56.7% of Franchised Territories)	Revenue for Reporting Territories	\$857,290 344,277.00	212.17 \$303,743.00	\$1,254,471.00	\$56,291.00	N/A	184 (

1. For the 12-month period from October 1, 2023, until September 30, 2023, the average revenue per territory for the 1,298 territories was \$83,249.78.

Notes to Table II:

2.1. “Average Number of Regular Maid Service Customers” is calculated by taking the average revenue times for Reporting Franchised Outlets and Reporting Franchised Territories, as applicable, multiplied by 88.56% (the average percentage of cleans by regular maid service as shown in Section I above), and then dividing it by \$5,008.214,271.49 (the average annual revenue per recurring regular maid service customer revenue as shown in Section I above).

III. STATEMENT OF REVENUE AND EXPENSE INFORMATION FOR COMPANY STORES-OWNED OUTLETS

The following statements are based on information reported by our Company Stores in 117 territories-Owned Outlets for our affiliate’s operation of The Maids® business in 34 Territories in 7 states that were in operation through its 7 offices (each a “Company-Owned Outlet Office”) for the full 12-month period from October 1, 2022, until September 30, 2024. Measurement Period. During the 12-month period ended September 30, 2024, 19 Company Store territories were Measurement Period, our affiliate sold 7 of its Territories to Franchisees-a franchisee (the “Transferred Territories”). The information for those territories-the Transferred Territories is not included in the following statements-this Item 19. Our Company Stores-Owned Outlets operate under franchise agreements with us, pay us the same ongoing fees, have the same local advertising requirements as other Franchisees-Franchised Outlets, and generally have the same size territories-Territories as Franchisees-Franchised Outlets. However, Company Storesour affiliate may pay a lower percentage of Gross Revenue as a Continuing License Fee than you because Company Stores’ weekly Gross Revenues allow Company Stores to pay a lower the percentage of Gross Revenue as a Continuing Fee based on the Continuing Fee scale described rate paid by our Franchised Outlets, and a

lower rate than the rate disclosed in Item 6. The below table presents historical financial performance information for the Company-Owned Outlet Offices.

	Total Company Store Results	Average Company Store Results	Average Percentage of Revenue	Median Revenue and Net Income
REVENUE				
RMS REVENUE	\$ 8,141,131	\$ 1,017,641		
PROJECT REVENUE	919,497	114,937		
TOTAL REVENUE	\$ 9,060,628	\$ 1,132,578	100%	\$ 1,055,667
CLEANING EXPENSE				
CUSTOMER SERVICE - CLEANING / DRIVE TIME	3,517,813	439,727	38.8%	
CUSTOMER SERVICE - OTHER	169,649	21,206	1.9%	
PAYROLL TAXES - CS	348,948	43,619	3.9%	
WORKERS COMP INSURANCE - CS	173,031	21,629	1.9%	
EMPLOYEE BENEFITS - CS	273,420	34,178	3.0%	
CONTRACT SERVICES / OTHER	-	-	0.0%	
DIRECT CLEANING EXPENSE	4,482,861	560,358	49.5%	
SUPPLIES, EQUIPMENT, & UNIFORMS	125,955	15,744	1.4%	
VEHICLE - GAS / MAINT / INSURANCE	394,848	49,356	4.4%	
CUSTOMER DAMAGE	9,449	1,181	0.1%	
EMPLOYEE APPRECIATION	30,740	3,843	0.3%	
RECRUITING & HIRING	47,868	5,984	0.5%	
PAYMENT PROCESSING FEES	208,842	26,105	2.3%	
CONTINUING LICENSING FEE	480,464	60,058	5.3%	
NAT'L ADVERTISING & TECH INNOVATION FEES	152,260	19,033	1.7%	
OTHER	(12,710)	(1,589)	-0.1%	
INDIRECT CLEANING EXPENSE	1,437,039	179,630	15.9%	
CLEANING EXPENSE	5,919,900	739,988	65.3%	
CLEANING MARGIN	3,140,728	392,591	34.7%	
CUSTOMER ACQUISITION EXPENSE				
LEAD GENERATION	328,015	41,002	3.6%	
NATIONAL SALES CENTER	94,154	11,769	1.0%	
CUSTOMER APPRECIATION	32,906	4,113	0.4%	
CUSTOMER ACQUISITION EXPENSE	455,075	56,884	5.0%	
BUSINESS MANAGEMENT EXPENSE				
GENERAL MANAGEMENT	510,999	63,875	5.6%	
FIELD MANAGEMENT	-	-	0.0%	
PAYROLL TAXES / WC - MANAGEMENT	37,854	4,732	0.4%	
EMPLOYEE BENEFITS - MANAGEMENT	42,568	5,321	0.5%	
INSURANCE	117,696	14,712	1.3%	
RENT / UTILITIES / MAINTENANCE	450,492	56,312	5.0%	
VEHICLES - LEASE / DEPRECIATION	112,053	14,007	1.2%	
(GAIN) / LOSS ON VEHICLES	(10,941)	(1,368)	-0.1%	
OFFICE TECHNOLOGY / COMMUNICATIONS	70,416	8,802	0.8%	
OUTSIDE SERVICES - PROFESSIONAL	2,973	372	0.0%	
OFFICE SUPPLIES & EQUIPMENT	19,482	2,435	0.2%	
TRAVEL / MEALS / DEVELOPMENT	5,185	648	0.1%	
DEPRECIATION / AMORTIZATION	18,777	2,347	0.2%	
INTEREST EXPENSE	-	-	0.0%	
TAXES - MISC	19,852	2,482	0.2%	
BUSINESS MANAGEMENT EXPENSE	1,397,406	174,676	15.4%	
NET INCOME	\$ 1,288,247	\$ 161,031	14.2%	\$ 172,232

| 1. ~~The~~

	Results of Total Company-Owned Outlets	Results of Average Company-Owned Outlet Offices	Average Percentage of Revenue	Median Revenue and Net Income
REVENUE				
Recurring Maids Service Revenue	\$8,202,376	\$1,171,768		
Project Revenue	\$851,437	\$121,634		
TOTAL REVENUE	\$9,053,813	\$1,293,402	100.0%	\$1,166,819
CLEANING EXPENSE				
<i>Direct Cleaning Expense:</i>				
Customer Service - Cleaning / Drive Time	\$3,620,637	\$517,234	40.0%	
Customer Service - Other	\$171,884	\$24,555	1.9%	
Payroll Taxes - CS	\$351,873	\$50,268	3.9%	
Worker Comp Insurance - CS	\$40,553	\$5,793	0.4%	
Employee Benefits - CS	\$288,024	\$41,146	3.2%	
Contract Services / Other	N/A	N/A	N/A	
TOTAL DIRECT CLEANING EXPENSE	\$4,472,971	\$638,996	49.4%	
<i>Indirect Cleaning Expense:</i>				
Supplies, Equipment & Uniforms	\$110,514	\$15,788	1.2%	
Vehicle - Gas / Maint / Insurance	\$380,929	\$54,418	4.2%	
Customer Damage	\$6,687	\$955	0.1%	
Employee Appreciation	\$26,953	\$3,850	0.3%	
Recruiting & Hiring	\$52,403	\$7,486	0.6%	
Payment Processing Fees	\$208,848	\$29,835	2.3%	
Continuing Licensing Fee	\$489,776	\$69,968	5.4%	
National Marketing & Tech Innovation Fees (See Note 4)	\$155,876	\$22,268	1.7%	
Other	\$23,294	\$3,328	0.3%	
TOTAL INDIRECT CLEANING EXPENSE	\$1,455,280	\$207,897	16.1%	
CLEANING MARGIN	\$3,125,562	\$446,509	34.5%	
CUSTOMER ACQUISITION EXPENSE				
Lead Generation	\$318,637	\$45,520	3.5%	
National Sales Center	\$86,951	\$12,422	1.0%	
Customer Appreciation	\$16,424	\$2,346	0.2%	
TOTAL CUSTOMER ACQUISITION EXPENSE	\$422,012	\$60,287	4.7%	
BUSINESS MANAGEMENT EXPENSE				
Management Labor	\$513,352	\$73,336	5.7%	
Payroll Taxes / WC Management	\$36,662	\$5,237	0.4%	
Employee Benefits - Management	\$37,167	\$5,310	0.4%	
Insurance	\$218,716	\$31,245	2.4%	
Rent / Utilities / Maintenance	\$459,996	\$65,714	5.1%	
Vehicles - Lease / Depreciation	\$92,261	\$13,180	1.0%	
(Gain) / Loss on Assets	(\$2,729)	(\$390)	(0.0%)	
Office Technology / Communications	\$66,045	\$9,435	0.7%	
Outside Services - Professional	\$554	\$79	0.0%	
Office Supplies & Equipment	\$12,090	\$1,727	0.1%	
Travel / Meals / Development	\$13,391	\$1,913	0.1%	
Depreciation / Amortization	\$23,754	\$3,393	0.3%	
Interest Expense	\$0	\$0	-	
Taxes - Miscellaneous	\$12,082	\$1,726	0.1%	
TOTAL BUSINESS MANAGEMENT EXPENSE	\$1,483,341	\$211,906	16.4%	
NET INCOME	\$1,220,209	\$174,316	13.5%	\$199,238

Notes to Table III:

1. Out of our 7 Company-Owned Outlet Offices, the highest annual revenue for Company Stores is \$2,576,247,508,316 for our Company-Owned Outlet Office operating in 4 Territories, and the lowest annual revenue for Company Stores is \$658,472,496,816 for our Company-Owned Outlet Office operating in 4 Territories.

2. 23 of the 7 (28.643%) Company Stores-Owned Outlet Offices met or exceeded the average annual revenue, with one of the three Company-Owned Outlet Offices operating in 5 Territories, one operating in 4 Territories and the third operating in 1 Territory.

3. Company Stores-Owned Outlet Offices may incur higher management salaries and related benefits than a Franchisee who Franchised Outlet that is an owner-operator operated.

4. The Company-Owned Outlet Offices' expenses for National Marketing & Tech Innovation Fees reflect credits provided to the Company-Owned Outlet Offices for overcharges assessed to the Company-Owned Outlet Offices in the prior fiscal year. As such, the average percentage of revenue for National Marketing & Tech Innovation Fees is lower than expected (and lower than the rate paid by Franchised Outlets) for the Measurement Period.

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

~~We will be glad to provide you with written substantiation of the data used to prepare the information presented in this document on reasonable request.~~

Other than the preceding financial performance representation, we do not make any financial performance representations. ~~We also~~ do not authorize our employees or representatives to make any such representations either orally or in writing. ~~If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Franchise Development, The Maids International, LLC, 9394 West Dodge Road, Suite 140, Omaha, NE 68114, (402) 558-5555, the Federal Trade Commission, and the appropriate state regulatory agencies.~~

Item 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System wide ~~Outlet~~Outlet¹ Summary for years 2022 to 2024⁽¹⁾

Outlet Type	Years ended Sept. 30	Outlets at the Start of the Year	Outlets at the end of the year	Net Change
Franchised	2022	1423 <u>1373</u>	1454 <u>1409</u>	+31 <u>36</u>
	2023	1454 <u>1409</u>	1493 <u>1448</u>	+39
	2024	1493 <u>1448</u>	1517 <u>1472</u>	+24
Company-Owned	2022	160	152	-8
	2023	152	142	-10
	2024	142	148	+6
Total Outlets	2022	1583 <u>1533</u>	1606 <u>1561</u>	+23 <u>28</u>
	2023	1606 <u>1561</u>	1635 <u>1590</u>	+29
	2024	1635 <u>1590</u>	1665 <u>1620</u>	+30

Table No. 2
Transfers of Franchised ~~Outlets~~Outlets¹ from Franchisees to New Owners (other than the franchisor)
Years 2022 to 2024

State	Years ended Sept. 30	Number of Transfers
AZ	2022	8
	2023	11
	2024	0
CA	2022	0
	2023	0
	2024	11
FL	2022	16
	2023	25
	2024	25
KY	2022	0
	2023	5
	2024	0
MA	2022	0
	2023	11
	2024	12
MO	2022	8
	2023	6
	2024	0
NC	2022	0
	2023	6
	2024	0

State	Years ended Sept. 30	Number of Transfers
NJ	2022	0
	2023	0
	2024	43
OH	2022	0
	2023	0
	2024	4
TX	2022	0
	2023	0
	2024	4
VA	2022	0
	2023	0
	2024	0
WI	2022	11
	2023	0
	2024	0
US-TOTALS	2022	43
	2023	64
	2024	99
CANADA	2022	0
	2023	0
	2024	0
TOTALS	2022	43
	2023	64
	2024	99

Table No. 3
Status of ~~Franchise Outlets~~Franchised Outlets¹ for Years 2022 to 2024

State	Years ended Sept. 30	Outlets at Start of Year	Outlets Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
AL	2022	26	0	0	0	0	0	26
	2023	26	0	0	0	0	0	26
	2024	26	0	0	0	0	0	26
AR	2022	0	6	0	0	0	0	6
	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
AZ	2022	48	6	6	0	0	0	48
	2023	48	1	0	0	0	0	49
	2024	49	0	0	0	0	0	49
CA	2022	149	0	0	0	0	0	149
	2023	149	7	10	0	0	0	146

State	Years ended Sept. 30	Outlets at Start of Year	Outlets Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
	2024	146	0	0	0	0	5	141
CO	2022	48	9	0	0	0	0	57
	2023	57	0	0	0	0	14	43
	2024	43	0	4	0	0	0	39
CT	2022	30	0	0	0	0	0	30
	2023	30	0	0	0	0	0	30
	2024	30	0	0	0	0	0	30
DC	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	4	0	0	0	0	8
DE	2022	0	0	0	0	0	0	0
	2023	0	4	0	0	0	0	4
	2024	4	0	0	0	0	0	4
FL	2022	120	28	7	0	0	0	141
	2023	141	23	15	0	0	0	149
	2024	149	51	18	0	0	0	182
GA	2022	47	0	0	0	0	0	47
	2023	47	6	24	0	0	0	29
	2024	29	0	0	0	0	0	29
HI	2022	13	0	0	0	0	0	13
	2023	13	0	0	0	0	0	13
	2024	13	0	0	0	0	0	13
ID	2022	0	0	0	0	0	0	0
	2023	0	5	0	0	0	0	5
	2024	5	0	0	0	0	0	5
IL	2022	37	0	0	0	0	0	37
	2023	37	12	0	0	0	0	49
	2024	49	0	0	0	0	0	49
IN	2022	15	0	0	0	0	4	11
	2023	11	0	0	0	0	0	11
	2024	11	0	0	0	0	0	11
IA	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
KS	2022	15	0	0	0	0	0	15
	2023	15	0	0	0	0	0	15
	2024	15	0	0	0	0	0	15
KY	2022	10	0	0	0	0	0	10
	2023	10	5	0	0	0	0	15
	2024	15	0	0	0	0	0	15
LA	2022	11	0	0	0	0	0	11
	2023	11	0	0	0	0	0	11
	2024	11	0	0	0	0	0	11
	2022	1	0	0	0	0	0	1

State	Years ended Sept. 30	Outlets at Start of Year	Outlets Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
ME	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
MD	2022	66	12	0	0	0	0	78
	2023	78	5	0	0	0	0	83
	2024	83	1	4	0	0	0	80
MA	2022	96	0	0	0	0	0	96
	2023	96	2	0	0	0	0	98
	2024	98	2	0	0	0	0	100
MI	2022	13	0	3	0	0	0	10
	2023	10	4	0	0	0	0	14
	2024	14	5	4	0	0	0	15
MN	2022	26	0	0	0	0	0	26
	2023	26	0	0	0	0	0	26
	2024	26	0	0	0	0	0	26
MS	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
MO	2022	26	0	7	0	0	0	19
	2023	19	2	0	0	0	0	21
	2024	21	0	0	0	0	0	21
NE	2022	17	0	0	0	0	0	17
	2023	17	0	5	0	0	0	12
	2024	12	0	0	0	0	0	12
NV	2022	5	0	0	0	0	0	5
	2023	5	5	0	0	0	0	10
	2024	10	0	0	0	0	0	10
NH	2022	19	0	0	0	0	0	19
	2023	19	0	0	0	0	0	19
	2024	19	0	0	0	0	0	19
NJ	2022	94	0	0	0	0	0	94
	2023	94	0	0	1	0	0	93
	2024	93	5	0	0	0	10	88
NY	2022	45	0	0	0	0	0	45
	2023	45	4	0	0	0	0	49
	2024	49	13	4	0	0	0	58
NC	2022	40	0	0	0	0	0	40
	2023	40	7	0	0	0	0	47
	2024	47	5	0	0	0	0	52
OH	2022	57	0	0	0	0	0	57
	2023	57	0	0	0	0	0	57
	2024	57	0	0	0	0	0	57
OK	2022	9	0	0	0	0	0	9
	2023	9	0	0	0	0	0	9
	2024	9	0	0	0	0	0	9

State	Years ended Sept. 30	Outlets at Start of Year	Outlets Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
OR	2022	20	0	0	0	0	0	20
	2023	20	0	0	0	0	0	20
	2024	20	0	0	0	0	0	20
PA	2022	20	0	0	0	0	0	20
	2023	20	0	0	0	4	0	16
	2024	16	0	0	0	0	0	16
RI	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3
SC	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3
TN	2022	24	0	0	0	0	0	24
	2023	24	0	0	0	0	0	24
	2024	24	0	0	0	18	0	6
TX	2022	115	8	0	0	0	6	117
	2023	117	16	0	0	0	0	133
	2024	133	4	0	0	7	0	130
UT	2022	0	0	0	0	0	0	0
	2023	0	4	0	0	0	0	4
	2024	4	0	0	0	0	0	4
VT	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
VA	2022	40	0	0	0	0	0	40
	2023	40	0	0	0	0	0	40
	2024	40	1	0	0	0	0	41
WA	2022	19	0	0	0	0	0	19
	2023	19	0	0	0	0	0	19
	2024	19	4	0	0	0	0	23
WI	2022	25	0	0	0	0	0	25
	2023	25	0	0	0	0	0	25
	2024	25	0	0	0	0	0	25
US TOTALS	2022	1373	69	23	0	0	10	1409
	2023	1409	112	54	1	4	14	1448
	2024	1448	98	34	0	25	15	1472
CANADA	2022	50	0	0	0	0	5	45
	2023	45	0	0	0	0	0	45
	2024	45	0	0	0	0	0	45
TOTALS	2022	1423	69	23	0	0	15	1454
	2023	1454	112	54	1	4	14	1493
	2024	1493	98	34	0	25	15*	1517

*These Franchise Territories “left the system” because there was a reduction in population when the Franchise Territories were transferred which resulted in fewer Franchise Territories, but the franchisees did not cease operations.

Table No. 4
Status of Company-Owned ~~Outlets~~ Outlets¹ for Years 2022 to 2024

State	Years ended Sept. 30	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
CT	2022	10	0	0	0	0	10
	2023	10	0	0	0	0	10
	2024	10	0	0	0	0	10
DE	2022	9	0	0	0	0	9
	2023	9	0	0	0	0	9
	2024	9	0	0	0	0	9
FL	2022	21	0	0	4	4	13
	2023	13	0	0	0	7	6
	2024	6	0	0	0	6	0
IL	2022	54	0	0	0	0	54
	2023	54	0	0	0	7	47
	2024	47	0	0	0	0	47
IN	2022	4	0	0	4	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
MI	2022	18	0	0	8	10	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
NM	2022	5	0	0	0	0	5
	2023	5	0	0	0	0	5
	2024	5	0	0	0	0	5
NY	2022	23	0	0	0	0	23
	2023	23	0	0	0	0	23
	2024	23	0	0	0	13	10
PA	2022	7	0	0	0	0	7
	2023	7	0	4	0	0	11
	2024	11	0	0	0	0	11
TN	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	18	0	0	18
TX	2022	16	0	0	0	0	16
	2023	16	0	0	0	0	16
	2024	16	0	7	0	0	23
VA	2022	15	0	0	0	0	15
	2023	15	0	0	0	0	15
	2024	15	0	0	0	0	15
TOTALS	2022	182	0	0	16	14	152
	2023	152	0	0	0	14	142
	2024	142	0	25	0	19	148

Table No. 5
Projected New Franchised ~~Outlets~~Outlets¹ as of September 30, 2024

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
CA	0	6	0
FL	28	12	0
NC	4	8	0
NY	13	0	0
TX	0	10	0
WA	4	0	0
TOTALS	49	36	0

Notes:

1. **The numbers shown in the above tables reflect the number of Franchise and company-owned Territories in operation.** ~~We define a Franchise, with each Territory consisting of approximately 24,000 households. For purposes of this Item 20, we consider each “Territory” (consisting of approximately 24,000 households) to be an one “outlet.”~~ ~~The~~. As of the amended issuance date of this Disclosure Document (August 15, 2025), we are in the process of re-configuring the territory size of the Franchise Territories of our company-owned The Maids® Businesses is based on the same criteria as are used per franchisee to determine the size of Territories established for franchised The Maids® Businesses. As of consist of approximately 90,000-150,000 households per Territory, which will result in a lower “outlet” count in subsequently issued disclosure documents.

5.2. ~~As of~~ September 30, 2024, a total of ~~123~~119 franchisees licensed and operated ~~1,517~~472 of the ~~1,665~~620 Franchise Territories, or outlets. We operated the remaining 148 Franchise Territories, or outlets.

A list of the names, addresses and telephone numbers of the operational and not yet operational The Maids® franchises as of September 30, 2024, is attached as Exhibit B.

A list of the name, city and state and current business telephone number (or, if unknown, the last known home number) of every The Maids® franchisees who has had their franchises terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business during our most recent fiscal year or have failed to communicate with us during the ten-week period preceding the date of this Disclosure Document is attached as Exhibit C. If you buy a The Maids® franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, franchisees have signed confidentiality clauses with us. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

As discussed in Item 11, we have established an Advisory Council that gives us advice and counsel from the field, offers guidance on advertising development and general publicity and to provide you with

recognized leaders to whom you can turn for advice. We have not established any trademark-specific franchisee organizations.

No independent franchisee organizations have asked to be included in this Disclosure Document.

Item 21

FINANCIAL STATEMENTS

Attached as Exhibit A are: (a) audited ~~financials~~ financial statements for the fiscal years ended September 30, 2024~~;~~, September 30, 2023~~,~~, and September 30, 2022~~;~~; and (b) unaudited financial statements for the period ended June 30, 2025. Our fiscal year end is September 30.

Item 22

CONTRACTS

The following Agreements are attached:

1. Franchise Agreement - Exhibit D
2. Software License Agreement - Exhibit E
3. National Alliance Participation Agreement – Exhibit F
- ~~4. Promissory Note and Security Agreement – Exhibit G~~
- 5.4. Franchise Questionnaire; Telephone Listing Agreement; Authorization Agreement for Pre-Arranged Payments; Manual Sign Off Agreement; Confidentiality/Nondisclosure Agreement - Exhibit HG
- ~~6.5.~~ Sample General Release – Exhibit ML

Item 23

RECEIPTS

Two copies of a Receipt of this Disclosure Document are attached as Exhibit NM. Please return one to us and keep the other for your records.

EXHIBIT A

FINANCIAL STATEMENTS

**THE MAIDS INTERNATIONAL, LLC
AND SUBSIDIARY**

CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023
(WITH INDEPENDENT AUDITOR'S REPORT)



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Maids International, LLC and Subsidiary

Opinion

We have audited the accompanying consolidated financial statements of The Maids International, LLC and Subsidiary (collectively, the Company), which comprise the consolidated balance sheets as of September 30, 2024 and 2023, and the related consolidated statements of operations, member's equity (deficit), and cash flows for the years then ended, and the related notes to the consolidated financial statements (the financial statements).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Maids International, LLC and Subsidiary as of September 30, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the internal control relevant to the audit 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 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

FRANKE, LLC

Omaha, Nebraska,
January 16, 2025

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30,	2024	2023
ASSETS		
Current assets		
Cash	\$ 1,544,275	3,166,836
Marketable securities	561,923	--
Certificates of deposit	503,773	1,993,883
Trade and other receivables, net	631,135	546,769
Prepaid expenses	165,693	173,903
Current portion of notes receivable	249,995	149,191
Distribution to member	3,656,794	6,030,582
Property and equipment		
Computer software	570,005	506,134
Projects in progress	30,371	54,513
Leasehold improvements	261,928	261,928
Furniture and equipment	214,578	129,160
Vehicles	611,472	574,788
Total cost	1,688,354	1,526,523
Less accumulated depreciation	1,046,365	804,680
Total other (expense)	641,989	721,843
Other assets		
Notes receivable, net, less current portion	1,500,401	1,471,312
Goodwill, net	19,802,025	23,124,245
Other long-term assets	44,915	40,761
Operating lease right-of-use assets	3,739,646	4,255,355
Total other assets	25,086,987	28,891,673
TOTAL ASSETS	\$ 29,385,770	35,644,098

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS - CONTINUED

SEPTEMBER 30,	2024	2023
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities		
Accounts payable	\$ 723,520	986,844
Accrued expenses	725,483	984,433
Deferred revenue, current	232,875	230,192
Lease liability, current	440,780	439,867
Total current liabilities	2,122,658	2,641,336
Long-term liabilities		
Deferred revenue, less current portion	2,293,102	2,207,289
Long-term debt, net	28,526,872	28,447,364
Lease liability, less current portion	3,387,245	3,867,520
Total long-term liabilities	34,207,219	34,522,173
Member's equity (deficit)	(6,944,107)	(1,519,411)
TOTAL LIABILITIES AND MEMBER'S EQUITY	\$ 29,385,770	35,644,098

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS

YEARS ENDED SEPTEMBER 30,	2024	2023
REVENUES		
Initial and continuing license fees and other revenue	\$ 8,378,699	8,236,188
Company owned cleaning revenue	9,966,377	9,703,682
Total revenues	18,345,076	17,939,870
COST OF REVENUES		
Continuing license and other costs	521,212	805,070
Company owned cleaning costs	7,146,125	6,862,507
Total cost of revenues	7,667,337	7,667,577
Distribution to member	10,677,739	10,272,293
General and administrative expenses	10,340,454	10,457,696
Income (Loss) from operations	337,285	(185,403)
Other income (expense)		
Interest income	220,158	69,290
Interest expense	(4,673,064)	(4,461,470)
Employee retention credits under CARES Act (Note 11)	--	227,509
Other	190,925	65,032
Total other (expense)	(4,261,981)	(4,099,639)
NET LOSS	\$ (3,924,696)	(4,285,042)

Distribution paid to member

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENT OF MEMBER'S EQUITY (DEFICIT)

YEARS ENDED SEPTEMBER 30 2024 AND 2023

		Member's Capital	Accumulated Deficit	Total Member's Equity (Deficit)
Balances at September 30, 2022	\$	8,440,000	(5,674,369)	2,765,631
Net loss		--	(4,285,042)	(4,285,042)
Balances at September 30, 2023		8,440,000	(9,959,411)	(1,519,411)
Distribution to member		(1,500,000)		(1,500,000)
Net loss		--	(3,924,696)	(3,924,696)
Balances at September 30, 2024	\$	6,940,000	(13,884,107)	(6,944,107)

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED SEPTEMBER 30,	2024	2023
Cash flows from operating activities		
Net loss	\$ (3,924,696)	(4,285,042)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation and amortization	4,016,168	3,963,485
Gain on sale of property, plant, and equipment	(10,662)	(118,467)
Gain on sale of company stores	(224,122)	--
Amortization of right of use asset	515,709	270,689
Gain on marketable securities	(7,094)	--
Distribution to member		
Change in operating assets and liabilities:		
(Increases) decreases in operating assets:		
Trade and other receivables	(84,366)	(25,549)
Prepaid expenses	8,210	(54,146)
Notes receivable	(129,893)	(318,018)
Other long-term assets	(4,154)	(1,151)
Increases (decreases) in operating liabilities:		
Accounts payable	(263,324)	155,293
Accrued expenses	(258,950)	422,274
Total other (expense)	88,496	189,911
Operating lease liability	(479,362)	(218,657)
Net cash used by operating activities	(758,040)	(19,378)
Cash flows from investing activities		
Proceeds from sale of property, plant, and equipment	14,912	88,553
Proceeds from sale of company stores	180,000	--
Proceeds from redemption of certificates of deposit	2,500,000	--
Purchase of certificates of deposit	(1,000,000)	(1,993,883)
Purchase of marketable securities	(554,829)	--
Purchase of company stores	(375,000)	--
Purchase of property, equipment and intangibles	(129,604)	(302,385)
Net cash provided (used) by investing activities	635,479	(2,207,715)
Cash flows from financing activities		
Distribution paid to member	(1,500,000)	--
Net cash used by financing activities	(1,500,000)	--
NET DECREASE IN CASH	(1,622,561)	(2,227,093)
Cash at beginning of period	3,166,836	5,393,929
Cash at end of period	\$ 1,544,275	3,166,836
Supplement cash flow disclosures:		
Cash paid for interest	\$ 4,593,557	4,381,964
Noncash investing and financial activities:		
Non-cash financing of sale of company operated store	280,000	72,555

See accompanying notes to consolidated financial statements.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

1. Summary of Significant Accounting and Reporting Policies

Organization and Principles of Consolidation – The accompanying consolidated financial statements include The Maids International, LLC and its wholly-owned subsidiary TMI Company Store Holding, LLC (collectively, the Company). All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements. The Maids International, LLC is a wholly owned subsidiary of Maids Holdings, Inc. (parent company).

Initial and continuing license fees and other revenues are primarily comprised of fees received from new and existing franchisees. Company owned cleaning revenues relate to sales of cleaning services to the general public by Company operated units.

The following is a summary of markets operated by the Company and its franchisees as of September 30, 2024 and 2023:

	Company Operated	Franchises	Total
Open September 30, 2022	152	1,458	1,610
Openings	-	66	66
Net (transfers) expansions	(10)	38	28
Closings	-	(69)	(69)
Open September 30, 2023	142	1,493	1,635
Openings	25	53	78
Net (transfers) expansions	(19)	5	(14)
Closings	-	(34)	(34)
Open September 30, 2024	148	1,517	1,665

Marketable securities – Marketable securities are reported at fair value. See Note 3 for discussion of fair value measurements. Income from marketable securities, including realized and unrealized gains, is recognized as income on the Statement of Operations.

Certificates of Deposit – The Company holds certificates of deposit with a national financial institution bearing interest rates from 5.30% to 5.35%, maturing from December 2024 to May 2025. The certificates of deposit are recorded at cost plus accrued interest.

Trade Receivables – Trade accounts receivable are recorded at the invoice amount and do not bear interest. The allowance for credit losses is the best estimate of the amount of probable losses in trade receivables and is based on historical experience, current conditions, and reasonable forecasts of future conditions. Accounts are written off when deemed uncollectible. Recoveries of amounts previously written off are recorded as income when received.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2024 AND 2023

1. Summary of Significant Accounting and Reporting Policies - Continued

Notes Receivable – Notes receivable are recorded at the original note amount for franchisees that choose to pay for the initial franchise territory and expansion sales in installments over the agreed upon term. The allowance for credit losses is the best estimate of the amount of probable losses in notes receivable and is based on historical franchise success rates, current conditions, and reasonable forecasts of future conditions. Notes are written off when deemed uncollectible. Recoveries of amounts previously written off are recorded when received.

Property and Equipment – Property and equipment is stated at cost. Expenditures for additions and betterments are capitalized; expenditures for maintenance and repairs are charged to expense as incurred. The costs of assets disposed, and the related accumulated depreciation are eliminated from the accounts in the year of disposal. Gains or losses from property disposals are recognized in the year of disposal. Depreciation expense for the years ended September 30, 2024 and 2023 was \$334,441 and \$281,759, respectively, and is computed using straight-line method over the following useful lives:

	<u>Years</u>
Computer Software	3-10
Leasehold Improvements	3-10
Furniture and Equipment	3-10
Vehicles	5

Goodwill – Goodwill is amortized on a straight-line basis over 10 years. During 2021, the Company adopted Accounting Standards Update (ASU) 2021-03 *Intangibles - Goodwill and Other*, which requires evaluation of goodwill for possible impairment as of the end of each reporting period if events or circumstances indicate a possible impairment may exist. Accordingly, the Company tests goodwill for impairment annually as of the end of each reporting period only if circumstances indicate a possible impairment may exist. No impairment was recorded during the year ending September 30, 2024.

Goodwill consists of the following:

	<u>Amortization Period</u>	<u>2024</u>	<u>2023</u>
Gross goodwill	10 Years	\$ 36,312,200	36,032,200
Less accumulated amortization		<u>16,510,175</u>	<u>12,907,955</u>
		<u>\$ 19,802,025</u>	<u>23,124,245</u>

Amortization expense for the years ended September 30, 2024 and 2023 totaled \$3,602,220 for each respective year.

Leases – The Company leases buildings and equipment. The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use assets, current portion of operating lease liabilities, and operating lease liabilities, net of the current portion on the balance sheets. The Company has elected to apply the short-term lease exception to all leases with a term of one year or less.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2024 AND 2023

1. Summary of Significant Accounting and Reporting Policies - Continued

Leases – Continued -- Right-of-use assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Company's leases do not provide an implicit rate. The Company utilizes their incremental borrowing rate for a similar period to that of the lease term based on the information available at commencement date in determining the present value of lease payments. The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that they will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Certain lease agreements contain variable lease payments which are set at the discretion of the lessor. In addition, the Company has lease agreements with lease and non-lease components that are accounted for separately. In allocating consideration in the contract to the separate lease and non-lease components, the Company uses the observable standalone price of the lease and non-lease components, if available. Such payments, primarily comprised of common area maintenance and real estate taxes, are recognized in operating expenses in the period in which the obligation for those payments is incurred. The Company's leases do not contain any material residual value guarantees or material restrictive covenants.

Advertising Costs – Costs related to marketing and advertising the Company's services are charged to operations as incurred. Advertising costs for the years ended September 30, 2024 and 2023 were approximately \$405,000 and \$362,000, respectively.

Revenue Recognition –

Franchise Operations

The Company complies with Accounting Standards Codification (ASC) 606, Revenue from Contracts with Customers. ASC 606 outlines a single, comprehensive model on accounting for revenue.

As part of the agreement with franchisees, the Company receives an initial territory fee and continuing sales-based licensing fees. Revenue is recognized at both a point in time, and over time upon completion of certain performance obligations.

The Company identified certain pre-opening services for which it has elected the practical expedient to account for such as distinct from the franchise licensing fees. In addition, the Company made the accounting policy election to recognize pre-opening services as a single performance obligation. Such pre-opening services include various training, set up, and designation of market area for each franchise. Revenues related to pre-opening services are recognized on the date the franchise territory opens. Initial territory fees are recognized evenly over time based on the term of the agreement, which is generally ten years.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2024 AND 2023

1. Summary of Significant Accounting and Reporting Policies - Continued

Revenue Recognition – Continued

Initial and continuing license fees and other revenue for the year ended September 30 consists of the following:

	2024	2023
Recognized at a point in time	\$ 8,109,964	8,000,448
Recognized over time	268,735	235,740

The beginning and ending contract balances were as follows at September 30:

	2024	2023	2022
Sales-based license fees receivable (included in trade receivables, net)	\$ 419,404	450,195	372,550
Notes receivable, net	1,750,396	1,620,503	1,229,930
Deferred revenue	2,525,977	2,437,481	2,247,570

Revenue recognized for the years ended September 30, 2024 and 2023 that was included in deferred revenue at the beginning of the year was \$880,597 and \$443,719, respectively.

Company Unit Operations

Revenues for Company operated units are recognized at the point in time cleaning services are complete. Payment is generally due upon completion of the cleaning services. However, various economic factors affect the timing of cash receipts. The Company does not require collateral for related receivables because they are generally collected within their normal terms.

Revenue recognized at a point in time for the years ended September 30, 2024 and 2023 totaled \$9,966,377 and \$9,703,682, respectively. The beginning and ending contract balances were as follows as of September 30:

	2024	2023	2022
Accounts receivable, net (included in trade receivables, net)	\$ 38,250	69,005	69,837

Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Company from a customer and passed on to the authority, are excluded from revenue.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2024 AND 2023

1. Summary of Significant Accounting and Reporting Policies - Continued

Income Taxes – The Company is considered a pass-through entity for income tax purposes. The corporate owner of a pass-through entity is required to report income (loss) and deductions on their corporate income tax returns. Therefore, no provision for income taxes is included in these financial statements.

The accounting standard commonly known as *Accounting for Uncertainty in Income Taxes* requires disclosure and recognition in financial statements of positions taken in a tax return about the treatment of transactions and events that more likely than not would not be sustained upon examination by tax authorities. The Company believes it complies with all relevant tax laws and regulations and has no significant uncertain tax positions. Therefore, no liability for uncertain taxes has been recorded in the financial statements.

Estimates and Assumptions – Management uses estimates and assumptions in preparing financial statements in conformity with accounting principles generally accepted in the United States of America. Estimates and assumptions affect the reported amount of assets, liabilities, revenues, expenses, and related disclosures. Because of the inherent uncertainties in this process, it is likely that actual results will vary from the estimates.

Reclassification – Amounts were reclassified in 2024 to conform to the current year presentation.

Subsequent Events – Management evaluated transactions and events occurring subsequent to September 30, 2024 through January 16, 2025, the date the financial statements were available to be issued to determine whether any events should be recognized or disclosed in these consolidated financial statements. There were no material transactions or events in the subsequent period requiring disclosure or recognition in the statements.

2. Fair Value

The framework for measuring fair value provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2024 AND 2023

2. Fair Value – Continued

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table sets forth by level, within the fair value hierarchy, the Company's assets at fair value as of September 30, 2024. There were no assets at fair value as of September 30, 2023.

	Investments at Fair Value as of September 30, 2024			
	Level 1	Level 2	Level 3	Total
Mutual funds				
Fixed income funds	\$ 561,923	--	--	561,923

3. Marketable Securities

Marketable securities include the following:

	2024		
	Gross Unrealized		
	Cost	Gain (Loss)	Fair Value
Fixed income mutual funds	\$ 554,829	7,094	561,923

The average cost method is used to compute realized gains and losses associated with the sale of securities. There were no realized gains during the year ended September 30, 2024.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2024 AND 2023

4. Trade and Other Receivables

Trade and other accounts receivable as of September 30, 2024 and 2023 consists of the following:

	2024	2023
Trade receivables	\$ 609,583	610,353
Less allowance for doubtful accounts receivable	(25,920)	(74,961)
Net trade receivables	583,663	535,392
Other receivables	47,472	11,377
Total trade and other receivables, net	\$ 631,135	546,769

5. Notes Receivable

Notes receivable as of September 30, 2024 and 2023 consist of the following:

	2024	2023
Notes receivable, including accrued interest	\$ 1,813,571	1,683,678
Less: current portion of notes receivable	(249,995)	(149,191)
Less: allowance for credit losses	(63,175)	(63,175)
Long term notes receivable	\$ 1,500,401	1,471,312

The Company holds notes receivable bearing interest rates ranging from 3.00% to 10.00%, with various maturity dates through 2033. The notes are secured by the assets of the franchise.

Gross maturities of notes receivable are as follows:

Year ending September 30,	Total
2025	\$ 249,995
2026	250,759
2027	245,216
2028	253,661
2029	266,987
Thereafter	546,953
	\$ 1,813,571

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2024 AND 2023

6. Long-term Debt

	<u>2024</u>	<u>2023</u>
Long-term debt as of September 30 consists of the following:		
Note payable to a stockholder of the Company's parent company, due in monthly interest-only installments of the SOFR Rate plus 10.50%, with a floor of 12.00%. Effective interest rate at September 30, 2024 and 2023 are 15.35% and 15.83%, respectively. The principal balance matures on March 4, 2028, and is collateralized by substantially all assets of the Company.	\$ 28,560,000	28,560,000
Less: unamortized debt issuance costs	33,128	112,636
<u>Long-term debt, net</u>	<u>\$ 28,526,872</u>	<u>28,447,364</u>

The note payable to a stockholder of the parent company contains various financial covenants of which the Company was in compliance, except for a fixed charges coverage ratio as of September 30, 2024 and 2023. The Company was granted a waiver for this violation.

Long-term debt matures as follows:

<u>Year ending September 30,</u>	
2028	28,560,000

7. Leasing Activities

Operating leases have remaining terms of approximately 2 to 12 years. The components of lease expense were as follows for the years ending September 30:

	<u>2024</u>	<u>2023</u>
Lease costs charged to operations under ASC 842	\$ 648,561	612,493

Other information related to leases was as follows for the year ending September 30:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 609,676
Weighted average remaining lease term:	
Operating leases	10.09 years
Weighted average discount rate:	
Operating leases	4.22%

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2024 AND 2023

7. Leasing Activities - Continued

Future minimum lease payments under non-cancellable operating leases as of September 30, 2024 were as follows:

2025	\$ 591,628
2026	554,727
2027	446,046
2028	413,569
2029	346,183
Thereafter	2,385,458
Total undiscounted cash flows	4,737,611
Less: present value discount	(909,586)
Total lease liabilities	\$ 3,828,025

The lease asset and liability were calculated utilizing discount rates of 4.06% to 4.29%, which is the Company's expected incremental borrowing rate.

8. Commitments and Contingencies

The Company has a contingent exit fee payable to a stockholder of the parent company. The exit fee due and payable upon a change in control event, as defined in the debt agreement, is \$3,040,533 as of September 30, 2024. Since a change in control date cannot be reasonably estimated, no amount has been accrued in the accompanying consolidated balance sheet.

9. Related Party Transactions

Interest expense – For the years ended September 30, 2024 and 2023, the Company paid interest expense of \$4,593,557 and \$4,381,964, respectively, on the loan owed to the stockholder of its parent company.

Management fees – The Company is required to pay management fees to a stockholder of its parent company in the amount of \$62,500 per quarter. For the years ended September 30, 2024 and 2023, such fees totaled \$250,000 each year.

10. Retirement Plan

The Company sponsors a 401(K) retirement plan available for all eligible employees. Employees become eligible after completing six-months of service and attaining the age of 18. The Company makes safe harbor matching contributions corresponding to 100% of the first 3% of employee salary deferrals, plus 50% of the next 2% of employee salary deferrals. Company contributions totaled approximately \$96,000 and \$99,000 for the years ended September 30, 2024 and 2023, respectively.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2024 AND 2023

11. Business Acquisitions

During the year ended September 30, 2024, the Company completed two business acquisitions, both structured as asset purchase agreements. Total consideration for the two acquisitions was \$375,000, consisting of property, plant, and equipment worth \$78,000, intangible assets of \$5,000, settlement of existing liabilities of \$12,000, and goodwill of \$280,000. Total consideration for both acquisitions was paid in cash.

12. Risks, Uncertainties, and Concentration

As part of the Company's efforts to mitigate the effects of the COVID-19 pandemic, Employee Retention Credits permitted by the CARES Act were utilized during the year ending September 30, 2023. The credits were accounted for under ASC 958-605 as a contingent contribution. As all conditions have been met, \$227,509 was recognized in other income on the consolidated statement of operations for the year ending September 30, 2023.

Trade receivables and notes receivable subject the Company to credit risk.

13. Adoption of New Accounting Standard

The Company adopted Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses (Topic 326)*, effective October 1, 2023. The impact of adoption was not material to the financial statements.

**THE MAIDS INTERNATIONAL, LLC
AND SUBSIDIARY**

CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2023 AND 2022
(WITH INDEPENDENT AUDITOR'S REPORT)



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Maids International, LLC and Subsidiary

Opinion

We have audited the accompanying consolidated financial statements of The Maids International, LLC and Subsidiary (collectively, the Company), which comprise the consolidated balance sheets as of September 30, 2023 and 2022, and the related consolidated statements of operations, member's equity (deficit), and cash flows for the years then ended, and the related notes to the consolidated financial statements (the financial statements).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Maids International, LLC and Subsidiary as of September 30, 2023 and 2022, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the internal control relevant to the audit 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 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

FRANKE, LLC

Omaha, Nebraska,
December 21, 2023

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30,	2023	2022
ASSETS		
Current assets		
Cash	\$ 5,160,719	5,393,929
Trade and other receivables, net	546,769	521,220
Prepaid expenses	173,903	119,757
Current portion of notes receivable	149,191	119,165
Total current assets	6,030,582	6,154,071
Property and equipment		
Computer software	506,134	399,207
Projects in progress	54,513	12,000
Leasehold improvements	261,928	209,774
Furniture and equipment	129,160	111,697
Vehicles	574,788	569,540
Total cost	1,526,523	1,302,218
Less accumulated depreciation	804,680	548,361
Net property and equipment	721,843	753,857
Other assets		
Notes receivable, net, less current portion	1,471,312	1,110,765
Goodwill, net	23,124,245	26,716,465
Other long-term assets	40,761	39,610
Operating lease right-of-use assets	4,255,355	--
Total other assets	28,891,673	27,866,840
TOTAL ASSETS	\$ 35,644,098	34,774,768

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS - CONTINUED

SEPTEMBER 30,	2023	2022
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities		
Accounts payable	\$ 986,844	831,551
Accrued expenses	984,433	562,159
Deferred revenue, current	230,192	238,892
Lease liability, current	439,867	--
Total current liabilities	2,641,336	1,632,602
Long-term liabilities		
Deferred revenue, less current portion	2,207,289	2,008,678
Long-term debt, net	28,447,364	28,367,857
Lease liability, less current portion	3,867,520	--
Total long-term liabilities	34,522,173	30,376,535
Member's equity (deficit)	(1,519,411)	2,765,631
TOTAL LIABILITIES AND MEMBER'S EQUITY	\$ 35,644,098	34,774,768

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS

YEARS ENDED SEPTEMBER 30,	2023	2022
REVENUES		
Initial and continuing license fees and other revenue	\$ 8,236,188	7,434,153
Company owned cleaning revenue	9,703,682	9,726,158
Total revenues	17,939,870	17,160,311
COST OF REVENUES		
Continuing license and other costs	805,070	570,136
Company owned cleaning costs	6,862,507	7,101,690
Total cost of revenues	7,667,577	7,671,826
GROSS PROFIT	10,272,293	9,488,485
General and administrative expenses	10,457,696	9,802,481
Loss from operations	(185,403)	(313,996)
Other income (expense)		
Interest income	69,290	28,940
Interest expense	(4,461,470)	(3,609,917)
Forgiveness of PPP loans under CARES Act (Note 4)	--	1,899,454
Employee retention credits under CARES Act (Note 9)	227,509	799,158
Other	65,032	33,440
Total other income (expense)	(4,099,639)	(848,925)
NET LOSS	\$ (4,285,042)	(1,162,921)

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENT OF MEMBER'S EQUITY (DEFICIT)

YEARS ENDED SEPTEMBER 30 2023 AND 2022

		Member's Capital	Accumulated Deficit	Total Member's Equity
Balances at September 30, 2021	\$	8,440,000	(4,511,448)	3,928,552
Net loss		--	(1,162,921)	(1,162,921)
Balances at September 30, 2022		8,440,000	(5,674,369)	2,765,631
Net loss		--	(4,285,042)	(4,285,042)
Balances at September 30, 2023	\$	8,440,000	(9,959,411)	(1,519,411)

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED SEPTEMBER 30,	2023	2022
Cash flows from operating activities		
Net loss	\$ (4,285,042)	(1,162,921)
Adjustments to reconcile net loss to net cash from operating activities		
Depreciation and amortization	3,963,485	3,920,838
Gain on sale of assets	(118,467)	(33,440)
Forgiveness of PPP loans under CARES Act	--	(1,899,454)
Amortization of right of use asset	270,689	--
Change in operating assets and liabilities:		
(Increases) decreases in operating assets:		
Trade and other receivables	(25,549)	(36,348)
Prepaid expenses	(54,146)	(60,438)
Notes receivable	(318,018)	(78,520)
Other long-term assets	(1,151)	215,064
Increases (decreases) in operating liabilities:		
Accounts payable	155,293	143,284
Accrued expenses	422,274	(369,077)
Deferred revenue	189,911	(167,179)
Operating lease liability	(218,657)	--
Net cash provided (used) by operating activities	(19,378)	471,809
Cash flows from investing activities		
Proceeds from sale of assets	88,553	57,693
Purchase of property, equipment and intangibles	(302,385)	(171,288)
Net cash used by investing activities	(213,832)	(113,595)
NET INCREASE (DECREASE) IN CASH	(233,210)	358,214
Cash at beginning of period	5,393,929	5,035,715
Cash at end of period	\$ 5,160,719	5,393,929
Supplement cash flow disclosures:		
Cash paid for interest	\$ 4,381,964	3,530,409
Noncash investing and financial activities:		
Non-cash financing of sale of company operated unit	72,555	--

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2023 AND 2022

1. Summary of Significant Accounting and Reporting Policies

Organization and Principles of Consolidation – The accompanying consolidated financial statements include The Maids International, LLC and its wholly-owned subsidiary TMI Company Store Holding, LLC (collectively, the Company). All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements. The Maids International, LLC is a wholly owned subsidiary of Maids Holdings, Inc. (parent company).

Initial and continuing license fees and other revenues are primarily comprised of fees received from new and existing franchisees. Company owned cleaning revenues relate to sales of cleaning services to the general public by Company operated units.

The following is a summary of markets operated by the Company and its franchisees as of September 30, 2023 and 2022:

	Company Operated	Franchises	Total
Open September 30, 2021	160	1,423	1,583
Openings	-	42	42
Net (transfers) expansions	(4)	31	27
Closings	(4)	(38)	(42)
Open September 30, 2022	152	1,458	1,610
Openings	-	66	66
Net (transfers) expansions	(10)	38	28
Closings	-	(69)	(69)
Open September 30, 2023	142	1,493	1,635

Trade Receivables – Trade accounts receivable are recorded at the invoice amount and do not bear interest. The allowance for doubtful accounts is the best estimate of the amount of probable losses in trade receivables and is based on historical experience. Accounts are written off when deemed uncollectible. Recoveries of amounts previously written off are recorded when received.

Notes Receivable – Notes receivable are recorded for franchisees that choose to pay for the initial franchise territory and expansion sales in installments over the agreed upon term. The allowance for doubtful notes receivable is the best estimate of the amount of probable losses in notes receivable and is based on historical franchise success rates. Notes are written off when deemed uncollectible. Recoveries of amounts previously written off are recorded when received.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2023 AND 2022

1. Summary of Significant Accounting and Reporting Policies - Continued

Property and Equipment – Property and equipment is stated at cost. Expenditures for additions and betterments are capitalized; expenditures for maintenance and repairs are charged to expense as incurred. The costs of assets disposed, and the related accumulated depreciation are eliminated from the accounts in the year of disposal. Gains or losses from property disposals are recognized in the year of disposal. Depreciation expense for the years ended September 30, 2023 and 2022 was \$281,759 and \$239,110, respectively, and is computed using straight-line method over the following useful lives:

	<u>Years</u>
Computer Software	3-10
Leasehold Improvements	3-10
Furniture and Equipment	3-10
Vehicles	5

Goodwill – Goodwill is amortized on a straight-line basis over 10 years. During 2021, the Company adopted Accounting Standards Update (ASU) 2021-03 *Intangibles - Goodwill and Other*, which requires evaluation of goodwill for possible impairment as of the end of each reporting period if events or circumstances indicate a possible impairment may exist. Accordingly, the Company tests goodwill for impairment annually as of the end of each reporting period only if circumstances indicate a possible impairment may exist. No impairments were recorded during the year ending September 30, 2023.

Goodwill consists of the following:

	<u>Amortization Period</u>	<u>2023</u>	<u>2022</u>
Gross goodwill	10 Years	\$ 36,032,200	36,022,200
Less accumulated amortization		<u>12,907,955</u>	<u>9,305,735</u>
		<u>\$ 23,124,245</u>	<u>26,716,465</u>

Amortization expense for the years ended September 30, 2023 and 2022 totaled \$3,602,220.

Leases – The Company leases buildings and equipment. The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use assets, current portion of operating lease liabilities, and operating lease liabilities, net of current portion on the balance sheets. The Company has elected to apply the short-term lease exception to all leases with a term of one year or less.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2023 AND 2022

1. Summary of Significant Accounting and Reporting Policies - Continued

Leases – Continued -- Right-of-use assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Company's leases do not provide an implicit rate. The Company utilizes their incremental borrowing rate for a similar period to that of the lease term based on the information available at commencement date in determining the present value of lease payments. The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that they will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Certain lease agreements contain variable lease payments which are set at the discretion of the lessor. In addition, the Company has lease agreements with lease and non-lease components that are accounted for separately. In allocating consideration in the contract to the separate lease and non-lease components, the Company uses the observable standalone price of the lease and non-lease components, if available. Such payments, primarily comprised of common area maintenance and real estate taxes, are recognized in operating expenses in the period in which the obligation for those payments is incurred. The Company's leases do not contain any material residual value guarantees or material restrictive covenants.

Advertising Costs – Costs related to marketing the Company's services are charged to operations as incurred. Advertising costs for the years ended September 30, 2023 and 2022 were approximately \$362,000 and \$352,000, respectively.

Revenue Recognition –

Franchise Operations

The Company complies with ASC 606, Revenue from Contracts with Customers. ASC 606 outlines a single, comprehensive model on accounting for revenue.

As part of the agreement with franchisees, the Company receives an initial territory fee and continuing sales-based licensing fees. Revenue is recognized at both a point in time, and over time upon completion of certain performance obligations.

The Company identified certain pre-opening services for which it has elected the practical expedient to account for such as distinct from the franchise license. In addition, the Company made the accounting policy election to recognize pre-opening services as a single performance obligation. Such pre-opening services include various training, set up, and designation of market area. Revenues related to pre-opening services are recognized on the date the franchise opens. Initial territory fees are recognized evenly over time based on the term of the agreement, which is generally ten or twenty years.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2023 AND 2022

1. Summary of Significant Accounting and Reporting Policies - Continued

Revenue Recognition – Continued

Initial and continuing license fees and other revenue for the year ended September 30 consist of the following:

	<u>2023</u>	<u>2022</u>
Recognized at a point in time	\$ 8,000,448	7,191,732
Recognized over time	235,740	242,421

The beginning and ending contract balances were as follows as of September 30:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Sales-based license fees receivable (included in trade receivables, net)	\$ 450,195	372,550	311,363
Notes receivable, net	1,620,503	1,229,930	1,151,410
Deferred revenue	2,437,481	2,247,570	2,414,749

Revenue recognized for the years ended September 30, 2023 and 2022 that was included in deferred revenue at the beginning of the year was \$443,719 and \$566,338, respectively.

Company Unit Operations

The adoption of ASC 606 had no significant effect on revenue recognition related to Company Unit Operations. Revenues for Company operated units are recognized at the point in time cleaning services are complete. Payment is generally due upon completion of cleaning services. However, various economic factors affect the timing of cash receipts. The Company does not require collateral for related receivables because they are generally collected within their normal terms.

Revenue recognized at a point in time for the years ended September 30, 2023 and 2022 totaled \$9,703,682 and \$9,726,158, respectively. The beginning and ending contract balances were as follows as of September 30:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Accounts receivable, net (included in trade receivables, net)	\$ 69,005	69,837	50,115

Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Company from a customer, are excluded from revenue.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2023 AND 2022

1. Summary of Significant Accounting and Reporting Policies - Continued

Income Taxes – The Company is considered a pass-through entity for income tax purposes. The corporate owner of a pass-through entity is required to report income (loss) and deductions on their corporate income tax returns. Therefore, no provision for income taxes is included in these financial statements.

The accounting standard commonly known as *Accounting for Uncertainty in Income Taxes* requires disclosure and recognition in financial statements of positions taken in a tax return about the treatment of transactions and events that more likely than not would not be sustained upon examination by tax authorities. The Company believes it complies with all relevant tax laws and regulations and has no significant uncertain tax positions. Therefore, no liability for uncertain taxes has been recorded in the financial statements.

Estimates and Assumptions – Management uses estimates and assumptions in preparing financial statements in conformity with accounting principles generally accepted in the United States of America. Estimates and assumptions affect the reported amount of assets, liabilities, revenues, expenses, and related disclosures. Because of the inherent uncertainties in this process, it is likely that actual results will vary from the estimates.

Subsequent Events – Management evaluated transactions and events occurring subsequent to September 30, 2023 through December 31, 2023, the date the financial statements were available to be issued to determine whether any events should be recognized or disclosed in these consolidated financial statements. There were no material transactions or events in the subsequent period requiring disclosure or recognition in the statements.

2. Trade and Other Receivables

Trade and other accounts receivable as of September 30, 2023 and 2022 consists of the following:

	2023	2022
Trade receivables	\$ 610,353	559,426
Less allowance for doubtful accounts receivable	(74,961)	(73,593)
Net trade receivables	535,392	485,833
Other receivables	11,377	35,387
Total trade and other receivables, net	\$ 546,769	521,220

3. Notes Receivable

Notes receivable as of September 30, 2023 and 2022 consist of the following:

	2023	2022
Notes receivable, including accrued interest	\$ 1,683,678	1,264,930
Less current portion of notes receivable	(149,191)	(119,165)
Less allowance for doubtful notes receivable	(63,175)	(35,000)
Long term notes receivable	\$ 1,471,312	1,110,765

The Company holds notes receivable bearing interest rates ranging from 3.00% to 10.00%, with various maturity dates through 2032. The notes are secured by the assets of the franchise.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

SEPTEMBER 30, 2023 AND 2022

3. Notes Receivable – Continued

Gross maturities of notes receivable are as follows:

<u>Year ending September 30,</u>	<u>Total</u>
2024	\$ 149,191
2025	197,842
2026	223,474
2027	213,325
2028	226,620
Thereafter	673,226
	<u>\$ 1,683,678</u>

4. Long-term Debt

Long-term debt as of September 30 consists of the following:

	<u>2023</u>	<u>2022</u>
Note payable to a stockholder of the Company's parent company, due in monthly interest-only installments of the SOFR Rate plus 10.50%, with a floor of 12.00%. Effective interest rate at September 30, 2023 and 2022 was 15.83% and 13.64%, respectively. The principal balance matures on March 4, 2025, and is collateralized by substantially all assets of the Company.	\$ 28,560,000	28,560,000
Less: unamortized debt issuance costs	112,636	192,143
<u>Long-term debt, net</u>	<u>\$ 28,447,364</u>	<u>28,367,857</u>

The note payable to a stockholder of the parent company contains various financial covenants of which the Company was in compliance as of September 30, 2023 and 2022.

Long-term debt matures as follows:

<u>Year ending September 30,</u>	
2025	28,560,000

In February 2022, the Company applied for and received forgiveness in full of Paycheck Protection Program (PPP2 loans) loan proceeds which were received in 2021. Pursuant to the Company's policy, PPP2 loans were included on the balance sheet as long-term debt until formal release as obligor. Accordingly, the forgiveness of the PPP2 loans during 2022 resulted in income of \$1,899,454 recognized as other income on the consolidated statement of operations for the year ending September 30, 2022.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

SEPTEMBER 30, 2023 AND 2022

5. Leasing Activities

Operating leases have remaining lease terms of approximately 3 to 11 years. The components of lease expense were as follows for the years ending September 30:

	2023	2022
Lease costs charged to operations under ASC 840	\$ --	562,681
Lease costs charged to operations under ASC 842	612,493	--

Other information related to leases was as follows for the year ending September 30:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 556,812
Lease assets obtained in exchange for lease obligations:	
Operating leases	\$ 4,681,766
Weighted average remaining lease term:	
Operating leases	10.59 years
Weighted average discount rate:	
Operating leases	4.22%

Future minimum lease payments under non-cancellable operating leases as of September 30, 2023 were as follows:

2024	\$ 610,889
2025	606,333
2026	570,020
2027	457,857
2028	413,569
Thereafter	2,731,640
Total undiscounted cash flows	5,390,308
Less: present value discount	(1,082,921)
Total lease liabilities	\$ 4,307,387

The lease asset and liability were calculated utilizing discount rates of 4.06% to 4.29%, which is the Company's expected incremental borrowing rate.

THE MAIDS INTERNATIONAL, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

SEPTEMBER 30, 2023 AND 2022

6. Commitments and Contingencies

The Company has a contingent exit fee payable to a stockholder of the parent company. The exit fee due and payable upon a change in control event, as defined in the debt agreement, was approximately \$2,040,453 as of September 30, 2023. Since a change in control date cannot be reasonably estimated, no amount has been accrued in the accompanying consolidated balance sheet.

7. Related Party Transactions

Interest expense – For the years ended September 30, 2023 and 2022, the Company paid interest expense of \$4,381,964 and \$3,530,409, respectively, on the loan owed to the stockholder of its parent company.

Management fees – The Company is required to pay management fees to a stockholder of its parent company in the amount of \$62,500 per quarter. For the years ended September 30, 2023 and 2022, such fees totaled \$250,000 each year.

8. Retirement Plan

The Company sponsors a 401(k) retirement plan available for all eligible employees. Employees become eligible after completing six-months of service and attaining 18 years of age. The Company makes safe harbor matching contributions corresponding to 100% of the first 3% of employee salary deferrals, plus 50% of the next 2% of employee salary deferrals. Company contributions totaled approximately \$99,000 and \$123,000 for the years ended September 30, 2023 and 2022, respectively.

9. Risks, Uncertainties, and Concentration

As part of the Company's efforts to mitigate the effects of the COVID-19 pandemic, Employee Retention Credits permitted by the CARES Act were utilized during the years ending September 30, 2023 and 2022. The credits were accounted for under ASC 958-605 as a contingent contribution. As all conditions have been met, \$227,509 and \$799,158 has been recognized in other income on the consolidated statement of operations for the years ending September 30, 2023 and 2022, respectively.

Trade receivables and notes receivable are subject the Company to credit risk.

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 EXPRESS HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

CONSOLIDATED STATEMENTS OF OPERATION

TWELVE MONTHS ENDING

6/30/2025

REVENUES

Initial and continuing license fees and other revenue	\$8,304,030
Company owned cleaning revenue	9,551,488
Total revenues	17,855,518

COST OF REVENUES

Continuing license and other costs	518,940
Company owned cleaning costs	6,998,042
Total cost of revenues	7,516,982

10,338,536

General and administrative expenses	11,375,042
Income (loss) from operations	(1,036,506)

Other income (expense)

Interest income	145,500
Interest expense	(4,443,147)
Other	510,816
Total other (expense)	(3,786,831)

NET LOSS	(\$4,823,337)
-----------------	----------------------

CONSOLIDATED BALANCE SHEETS**6/30/2025****ASSETS****Current assets**

Cash and cash equivalents	\$1,776,370
Trade and other receivables	289,444
Prepaid expenses	207,550
Current portion of notes receivable ¹	-
	2,273,364

Property and equipment

Computer software	503,667
Projects in progress	54,108
Leasehold improvements	271,428
Furniture and equipment	193,951
Vehicles	567,420
	1,590,574
Less:	
Accumulated depreciation	1,196,044
	394,530

Other assets

Notes receivable, net, less current portion	1,831,587
Goodwill, net	17,090,360
Other long-term assets	398,178
Operating lease right-of-use assets	3,442,165
	22,762,290

TOTAL ASSETS **\$25,430,184****LIABILITIES AND MEMBERS' EQUITY****Current liabilities**

Accounts payable	\$595,261
Accrued expenses	1,155,131
Deferred revenue, current ¹	-
Lease liability, current	433,913
	2,184,305

Long term liabilities

Deferred revenue, less current portion	2,509,389
Long-term debt, net	28,560,000
Lease liability, less current portion	3,116,614
	34,186,003

Members' equity (deficit) **(10,940,124)****TOTAL LIABILITIES AND MEMBERS' EQUITY** **\$25,430,184**

EXHIBIT B

FRANCHISEE LIST

The Maids International Offices

The following offices were operational as of September 30, ~~2023~~2024

(Note: The number of territories designated in the below list for each office was calculated based on the 2024 methodology, where each territory consists of approximately 24,000 households.)

UNITED STATES

ALABAMA

Dean & Charlotte Blanchard

1601 12th Avenue South
Birmingham, AL

USA 35205 Office: (205) 871-9338

Dean & Charlotte Blanchard (14 territories)

2803 Greystone Commerical Blvd. #10
Birmingham, AL

USA 35242 Office: (205) 871-9338

Dean & Charlotte Blanchard (5 territories)

107 Lily Flagg Rd SW
Huntsville, AL

USA 35802 Office: (256) 534-1100

Dean & Charlotte Blanchard (7 territories)

955 Downtowner Blvd #101
Mobile, AL

USA 36609 Office: (251) 344-6626

Dean & Charlotte Blanchard

685 N. Eastern Blvd.
Montgomery, AL

USA 36117 Office: (334) 277-7749

ARKANSAS

Joel Gabriele (6 territories)

2600 South 8th Street, Unit 613
Huntsville, AR

USA 72758 Office: (479) 502-9090

ARIZONA

Charles & Genevieve Rodriquez (12 territories)

22576 N Davies Way
Maricopa, AZ

USA 85138 Office: (602) 805-0300

Matt Jackson (25 territories)

15202 N Cave Creek Rd, Ste. A
Phoenix, AZ

USA 85032 Office: (602) 923-4000

Teresa Loy (12 territories)

4425 E. Broadway Blvd.
Tucson, AZ

USA 85711 Office: (520) 795-7977

CALIFORNIA

David and Virginia Alsup (6 territories)

2441 Sprig Court, Suite E
Concord, CA

USA 94520 Office: (925) 798-6243

Nicole Avis (3 territories)

4807 Greenleaf Court, Suite E
Modesto, CA

USA 95356 Office: (209) 579-9290

Rick and Becky Kraemer (4 territories)

6611 Folsom-Auburn Rd. Ste. M
Folsom, CA

USA 95630 Office: (916) 294-5700

Foroozan Shakeri (14 territories)

3365 Edison Way

USA 94538 Office: (510) 656-8100

Fremont, CA				
James & Vickie Moser				
255 S. Orange Ave. Ste. 1A	USA	93117	Office:	(805) 685-4528
Goleta, CA				
Ana Puga (5 territories)				
1200 N Douty St.	USA	93230	Office:	(559) 491-5231
Hanford, CA				
James & Vickie Moser (7 territories)				
2015 Preisker Lane Ste. D	USA	93454	Office:	(805) 474-9711
Santa Maria, CA				
Morris Yadidi (8 territories)				
2112 Pacific Coast Highway	USA	90717	Office:	(310) 542-9002
Lomita, CA				
Jennie Lim (5 territories)				
8703 Venice Blvd.	USA	90034	Office:	(310) 280-0300
Los Angeles, CA				
Jennie Lim (11 territories)				
2235 First Street Suite 101	USA	93065	Office:	(805) 579-9136
Simi Valley, CA				
Manny & Preeti Kooner (4 territories)				
1655 S. Main Str.	USA	95035	Office:	(408) 934-9375
Milipitas, CA				
Chris McDermott (5 territories)				
1110 Airport Rd.	USA	93940	Office:	(831) 200-4448
Monterey, CA				
GoStar International Group (10 territories)				
41775 Elm Street Ste. 401	USA	92562	Office:	(951) 600-7561
Murrieta, CA				
Susan Marie Weaver (4 territories)				
353 Bel Marin Keys Blvd., #16	USA	94949	Office:	(415) 479-1040
Novato, CA				
Foroozan Shakeri (3 territories)				
4015 Fabian Way	USA	94303	Office:	(408) 919-2828
Palo Alto, CA				
Juan Martinez (3 territories)				
593 Woodside Rd. Suite D	USA	94061	Office:	(650) 364-8444
Redwood City, CA				
Cristina Vega-Bustamante (11 territories)				
10855 Sorrento Valley Rd. Ste 103	USA	92121	Office:	(858) 578-6243
San Diego, CA				
Benjamin Sadowski (3 territories)				
8930 Activity Rd., Ste. E	USA	92126	Office:	(858) 679-7792
San Diego, CA				
Michael and June Ramirez (9 territories)				
2110 Omega Rd. Ste. A	USA	94583	Office:	(925) 837-8828
San Ramon, CA				
Morris Yadidi (10 territories)				
18750 Oxnard St. Ste 407	USA	91356	Office:	(818) 344-4500

COLORADO	Tarzana, CA				
	Jerry Dino (16 territories)				
	14712 Franklin Ave., Suite E	USA	92780	Office:	(714) 838-2278
	Tustin, CA				
	Michael Streeter (12 territories)				
CONNECTICUT	4820 Rusina Rd., Ste. B	USA	80907	Office:	(719) 634-1030
	Colorado Springs, CO				
	Joe & Christina Quadhamer (16 territories)				
	2046 Federal Blvd.	USA	80211	Office:	(303) 282-0133
	Denver, CO				
DELAWARE	David Ryan (11 territories)				
	350 E 7th Street Ste. 7	USA	80537	Office:	(970) 685-4113
	Loveland, CO				
	Melissa Joyce (12 territories)				
	72 Gray Bridge Road Box 2	USA	06804	Office:	(203) 740-0066
DIST. OF COLUMBIA	Brookfield, CT				
	Melissa Joyce (12 territories)				
	55 Middletown Ave. Ste. 3	USA	06473	Office:	(203) 288-6243
	North Haven, CT				
	Robert Goodliffe (6 territories)				
FLORIDA	100 Fort Hill Road	USA	06340	Office:	(508) 533-4101
	Groton, CT				
	TMI Company Store - Stamford (10 territories)				
	390 Fairfield Ave	USA	06902	Office:	(203) 961-0399
	Stamford, CT				
FLORIDA	TMI Company Store - Wilmington (7 territories)				
	310 Ruthar Dr, Unit 4	USA	19711	Office:	(302) 992-0220
	Newark, DE				
	Clement Okyne (4 territories)				
	10278 S DuPont Hwy., Ste. A	USA	19943	Office:	(302) 580-0201
FLORIDA	Felton, DE				
	John Grant (4 territories)				
	72 Florida Avenue NE	USA	20002	Office:	(803) 586-0550
	Washington, DC				
	Christian Sahdala & Carolina Servin (25 territories)				
FLORIDA	3828 SW 8th St.	USA	33134	Office:	(786) 748-2009
	Coral Gables, FL				
	Maria Dawkins and Vilma Yapana (4 territories)				
	722 Beal Parkway NW, Ste. B	USA	32547	Office:	(850) 460-3543
	Ft. Walton Beach, FL				
FLORIDA	Kevin & Connie Bounds (16 territories)				
	11235 St. Johns Industrial Pkwy, North Ste. 3	USA	32246	Office:	(904) 928-0195

Jacksonville, FL

Jorge Campos and Fabiola Jadue (7 territories)

4420 Tamiami Trail East, Unit 104

USA

34112

Office:

(239) 367-1188

Naples, FL

Maria Parra & Franklin Brito (28 territories)

2060 N. Forsyth Rd.

USA

32807

Office:

(407) 543-8182

Orlando, FL

Maria Dawkins and Vilma Yapana (6 territories)

5910 Tippin Avenue

USA

32504

Office:

(850) 460-3543

Pensacola, FL

Mark and Helena Gilbert (8 territories)

6222 Tower Lane, Suite B6

USA

34240

Office:

(941) 377-6770

Sarasota, FL

Jan Cerna (20 territories)

8467 West Oakland Park Blvd.

USA

33351

Office:

(954) 796-7600

Sunrise, FL

Dean & Charlotte Blanchard (5 territories)

2441 Monticello Drive

USA

32303

Office:

(850) 325-2015

Tallahassee, FL

Serhan Azdiken & Sercan Topcu (18 territories)

3910 N. US Highway 301 Ste. 105

USA

33619

Office:

(813) 871-9700

Tampa, FL

Glynda Russell & Sandra Guvetis (5 territories)

6917 Vista Parkway North #12

USA

33411

Office:

(561) 478-1815

West Palm Beach, FL

David and Patricia Cabral (6 territories)

4510 Babcock St. NE, Unit A117

USA

32905

Office:

(321) 344-2225

Palm Bay, FL

Brad Keating (6 territories)

500 NW University Blvd, Ste. 116

USA

34986

Office:

(321) 749-4599

Port St. Lucie, FL

GEORGIA

Charles Nobes (6 territories)

3115 Mercury Drive

USA

31906

Office:

(706) 225-0015

Columbus, GA

Vernon Mask (7 territories)

2752 Watts Drive, Suite A

USA

30144

Office:

(773) 726-1689

Kennesaw, GA

Brett Chandler (10 territories)

4485 Tench Rd Unit 2420

USA

30024

Office:

(678) 546-0997

Suwanee, GA

Anine Cureton (6 territories)

5755 North Point Parkway, Ste. 81

USA

30022

Office:

(404) 408-9940

Alpharetta, GA

HAWAII

Arun Savara (5 territories)

931 University Ave. Ste 301

USA

96826

Office:

(808) 942-8080

Honolulu, HI

IDAHO	Joseph & Lorraine Marquez (8 territories) 767 Kailua Road Suite 211 Kailua, HI	USA	96734	Office:	(808) 263-8080
	Cindy Madsen (5 territories) 2617 E Bierfield Dr Eagle, ID	USA	83616	Office:	(208) 370-2212
ILLINOIS	Jeff Ragan (8 territories) 3135 N Wilke Rd., Unit C Arlington Heights, IL	USA	60004	Office:	(847) 650-5131
	Daniel Larios (7 territories) 993 Oak Ave Aurora, IL	USA	60506	Office:	(630) 264-6633
INDIANA	Allen and Pat Evans (1 territory) 3705 Utica Ridge Road Bettendorf, IA	USA	52722	Office:	(563) 355-3111
	TMI Company Store - Evanston (47 territories) 1625 Payne Ave. Unit F Evanston, IL	USA	60201	Office:	(847) 328-0037
IOWA	David Levin (7 territories) 1037 N. Corporate Circle Grayslake, IL	USA	60030	Office:	(847) 548-4402
	Stephen Clark (4 territories) 8 Eagle Center, Ste. 15 O'Fallon, IL	USA	62269	Office:	(618) 607-8200
INDIANA	Glen & Ellen Burek (9 territories) 5530 West 110 Street Suite C Oak Lawn, IL	USA	60453	Office:	(708) 422-2176
	Tom and Lisa Rowley (3 territories) 23855 W. Andrew Road Suite #1 Plainfield, IL	USA	60585	Office:	(815) 230-5567
INDIANA	Al and Vanessa Evans (10 territories) 825 N. Cass Avenue, Suite 301 Westmont, IL	USA	60559	Office:	(630) 654-0995
	Brenda Ogborn (4 territories) 3197 S. US HWY 2331 Greencastle, IN	USA	46135	Office:	(877) 505.8906
IOWA	Fred Graf and Carolyn Graf (7 territories) 15501 Stoney Creek Way Noblesville, IN	USA	46060	Office:	(317) 770-1320
	Allen and Pat Evans (3 territories) 3705 Utica Ridge Road Bettendorf, IA	USA	52722	Office:	(563) 355-3111

KANSAS

Mark Ramsey (9 territories)

8220 Robinson Street

USA

66204

Office:

(913) 648-7331

Overland Park, KS

Ron & Joni Garcia (6 territories)

1525 W. 29th Street North

USA

67204

Office:

(316) 832-9058

Wichita, KS

KENTUCKY

Ozell Robertson (15 territories)

3411 Bardstown Rd. Suite 10

USA

40218

Office:

(270) 317-8045

Louisville, KY

LOUISIANA

Charlotte and Dean Blanchard (3 territories)

5421 Superior Drive

USA

70816

Office:

(225) 755-8383

Baton Rouge, LA

Charlotte and Dean Blanchard (3 territories)

4031 Hwy 90E

USA

70518

Office:

(337) 839-2000

Broussard, LA

Charlotte and Dean Blanchard (5 territories)

4631 W. Napoleon Ave. Ste. 1E

USA

70001

Office:

(504) 883-5000

Metairie, LA

MAINE

Matt Donnelly (1 territory)

62 Lafayette Rd.

USA

03862

Office:

(603) 964-1633

North Hampton, NH

MARYLAND

Remo Molino (10 territories)

198 Thomas Johnson Dr., Ste. 53

USA

21702

Office:

(301) 786-3893

Frederick, MD

Sumeet Goel (47 territories)

7170 E. Furnance Branch Road

USA

21060

Office:

(410) 761-7300

Glen Burnie, MD

John Daus (12 territories)

615 Sligo Ave.

USA

20910

Office:

(301) 562-8900

Silver Spring, MD

Sumeet Goel (6 territories)

1055 Taylor Ave. Ste 101

USA

21286

Office:

(410) 847-9145

Towson, MD

Lisa Robinson (5 territories)

7805 Old Alexandria Ferry Rd

USA

20735

Office:

(240) 766-5223

Clinton, MD

MASSACHUSETTS

Tom Manna (13 territories)

800 Brockton Ave., Ste 4

USA

02351

Office:

(781) 341-4444

Abington, MA

Matt Donnelly (5 territories)

45 Plant Road, Unit 105

USA

02601

Office:

(508) 778-8768

Hyannis, MA

MASSACHUSETTS	Patricia Acevedo (8 territories)	179 Boylston St. Building P4 Floor Jamaica Plain, MA	USA	02130	Office:	(617) 524-0300	
	Tom Manna (14 territories)	910 Boston Post Rd E, Ste. 120 Malborough, MA	USA	01752	Office:	(508) 460-1551	
	Robert Goodliffe (11 territories)	74 Main St., Unit 1 Medway, MA	USA	02053	Office:	(508) 533-4101	
	Robert Goodliffe	1460 Fall River Ave Seekonk, MA	USA	02771	Office:	(401) 392-0767	
	Matt Donnelly	685 Orchard St. New Bedford, MA	USA	02744	Office:	(508) 984-0013	
	Matt Donnelly (36 territories)	225 Riverview Ave. Newton, MA	USA	02466	Office:	(617) 969-1525	
	Matt Donnelly (12 territories)	60 Ashland Street North Andover, MA	USA	01845	Office:	(978) 683-3883	
	Matt Donnelly	607 North Ave. Building 11, 2nd Fl. Wakefield, MA	USA	01880	Office:	(978) 276-1276	
	Matt Donnelly (1 territoy)	62 Lafayette Rd. North Hampton, NH	USA	03862	Office:	(603) 964-1633	
	MICHIGAN	Ryan Mrdeza (10 territories)	725 S. Adams Road Suite 189 Birmingham, MI	USA	48009	Office:	(248) 577-0035
		Carlos Pejuan, Sr. (5 territories)	55130 Shelby Rd., Ste. C Shelby Township, MI	USA	48316	Office:	(586) 531-10585
		MINNESOTA	Jeanne, Kate and Mark Oster (7 territories)	14450 South Robert Trail, Ste. 205 Rosemount, MN	USA	55068	Office:
Daniel Reese (13 territories)	7855 Wayzata Blvd. St. Louis Park, MN		USA	55426	Office:	(952) 929-6243	
Daniel Reese (6 territories)	475 Etna St, Suite 20 St. Paul, MN		USA	55106	Office:	(651) 571-2500	
MISSISSIPPI	Kevin Bounds (5 territories)		517 Liberty Rd, #2A Flowood, MS	USA	39232	Office:	(601) 932-7909

MISSOURI

Mark & Eileen Ramsey (8 territories)

1015 Gentry Street

USA

64116

Office:

(816) 471-3771

North Kansas City, MO

Ryan & Andrea Crislip (5 territories)

250 Fort Zumwalt Square

USA

63366

Office:

(636) 385-3011

O'Fallon, MO

Ryan & Andrea Crislip (8 territories)

335 Leffingwell Ave

USA

63122

Office:

(602) 544-3033

Kirkwood, MO

NEBRASKA

John & Kris Dostal (2 territories)

3802 N. 108th Street

USA

68164

Office:

(402) 493-5887

Omaha, NE

Ryan Bishop (10 territories)

4814 Dodge Street

USA

68132

Office:

(402) 558-8600

Omaha, NE

NEVADA

David & Kate Perez (5 territories)

716 S. Jones Blvd.

USA

89107

Office:

(702) 870-3360

Las Vegas, NV

Edwin Manukyan (5 territories)

2016 W Sunset Rd., Ste. 110

USA

89014

Office:

(818) 300-4448

Henderson, NV

NEW HAMPSHIRE

Matt Donnelly

460 Route 101

USA

03110

Office:

(603) 964-1633

Bedford, NH

Matt Donnelly (19 territories)

62 Lafayette Rd.

USA

03862

Office:

(603) 964-1633

North Hampton, NH

NEW JERSEY

Warren Uzialko (14 territories)

168 Voorhees Corner Rd

USA

08822

Office:

(908) 237-0050

Flemington, NJ

Ryan and Annette Kerlew (5 territories)

131 Main St., Ste. 260

USA

07601

Office:

(201) 636-0005

Hackensack, NJ

Warren Uzialko (6 territories)

109 E. Plane Street

USA

07840

Office:

(973) 448-1888

Hackettstown, NJ

Yasir Khan (14 territories)

306 Belmont Avenue

USA

07840

Office:

(973) 790-6800

Haldon, NJ

Kevin and Geraldine Elwood (9 territories)

220 N. Centre St.

USA

08109

Office:

(856) 662-6243

Merchantville, NJ

NEW MEXICO	Kevin & Geraldine Elwood (11 territories)				
	157 Maple Avenue	USA	07701	Office:	(732) 224-1105
	Red Bank, NJ				
	Warren Uzialko (10 territories)				
	1275 Bound Brook Rd, Unit 1	USA	08846	Office:	(908)233-9990
	Middlesex, NJ				
	Yasir Khan (19 territories)				
	1417 Stuyvesant Ave.	USA	07083	Office:	(908) 851-2210
	Union, NJ				
NEW YORK	TMI Company Store - Albuquerque (5 territories)				
	2301 San Pedro Dr., NE, Ste. C	USA	87110	Office:	(505) 292-8344
	Albuquerque, NM				
	Jim Harris Jr. (37 territories)				
	1988 Central Ave.	USA	12205	Office:	(518) 464-8963
	Albany, NY				
	Gale St. John (7 territories)				
	666 Eastern Pkwy	USA	11213	Office:	(718) 221-6766
	Brooklyn, NY				
NORTH CAROLINA	Kevin & Geraldine Elwood (1 territory)				
	7 Winkler Place	USA	10918	Office:	(845) 469-5247
	Chester, NY				
	Jim Harris Jr.				
	7143 Henry Clay Blvd.	USA	13088	Office:	(315) 453-2061
	Liverpool, NY				
	Jim Harris Jr.				
	1848 Lyell Ave.	USA	14606	Office:	(585) 225-1745
	Rochester, NY				
	Jim Harris Jr.				
	2 Glen Falls Tech Park	USA	12801	Office:	(518) 583-1700
	Glen Falls, NY				
	TMI Company Store - Stamford (10 territories)				
	390 Fairfield Ave	USA	06902	Office:	(203) 961-0399
	Stamford, CT				
	Fowler Cooper (6 territories)				
	4601 South Blvd., Unit 1036	USA	28209	Office:	(704) 778-3018
	Charlotte, NC				
	Lloyd and Katie Somers (3 territories)				
	7491 Hagers Hollow Dr., Ste. D	USA	28037	Office:	(704) 966-1706
	Denver, NC				
	Wes & Melinda Dunn (13 territories)				
	3622 Lyckan Pkwy Ste 6002	USA	27707	Office:	(919) 493-0818
	Durham, NC				

OHIO	Henry Williamson (11 territories)				
	315 South Westgate Drive Suite H	USA	27407	Office:	(336) 292-7800
	Greensboro, NC				
	Ashley and Adam Berdy (5 territories)				
	13401 Lancaster Highway, Unit A112	USA	28134	Office:	(980) 925-0205
	Pineville, NC				
	Wes & Melinda Dunn (7 territories)				
	5121 Hollyridge Drive Ste. 104	USA	27612	Office:	(919) 782-2050
	Raleigh, NC				
	John Daus and Andrea Caro (7 territories)				
	108 N Kerr Ave, K1B	USA	28405	Office:	(910) 859-8449
	Wilmington, NC				
OKLAHOMA	Mike Manhoff (32 territories)				
	23480 Aurora Road Suite 1	USA	44146	Office:	(440) 735-6243
	Bedford Heights, OH				
	Terry Sanderson (11 territories)				
	1830 Sherman Ave.	USA	45212	Office:	(513) 396-6900
	Cincinnati, OH				
	Dan Dorman (2 territories)				
	2045 E Dorothy Lane	USA	45420	Office:	(937) 252-0600
	Kettering, OH				
	Apral Thayer (4 territories)				
	25601 Ft. Meigs Rd. Ste F	USA	43551	Office:	(419) 873-7000
	Perrysburg, OH				
OREGON	Jeff Markland (8 territories)				
	7216 Towne Centre Drive	USA	45069	Office:	(513) 858-3700
	West Chester, OH				
	Mike Manhoff				
	720 Lakeview Plz. Blvd. Ste. E	USA	43085	Office:	(614) 468-9802
	Worthington, OH				
	Donald and Jennifer Lee (9 territories)				
	2710 S. Walker Ave.	USA	73109	Office:	(405) 226-2895
	Oklahoma City, OK				
	Jon Pippert				
	2286 Pacific Blvd. SE	USA	97322	Office:	(541) 926-9277
	Albany, OR				
	Jon Pippert (17 territories)				
	8325 Southwest Cirrus Drive	USA	97008	Office:	(503) 626-1716
	Beaverton, OR				
	Chris & Paula Luz (3 territories)				
	118 South Main Street	USA	97535	Office:	(541) 241-8009
	Phoenix, OR				

PENNSYLVANIA

Robert Goodliffe (4 territories)

1135 Stefko Boulevard

USA

18017

Office: (610) 439-6242

Bethlehem, PA

TMI Company Store - Downingtown (4 territories)

837 West Lancaster Ave.

USA

19335

Office: (610) 269-6400

Downingtown, PA

Ross Attix (10 territories)

1601 Republic Road Unit G

USA

19006

Office: (215) 396-8470

Huntingdon Valley, PA

Warren Uzialko (2 territories)

7002 Beaver Dam Rd. Unit D

USA

19057

Office: (215) 547-9281

Levittown, PA

TMI Company Store - Wilmington (9 territories)

310 Ruthar Dr, Unit 4

USA

19711

Office: (302) 992-0220

Newark, DE

RHODE ISLAND

Robert Goodliffe (10 territories)

1460 Fall River Ave

USA

02771

Office: (401) 392-0767

Seekonk, MA

SOUTH CAROLINA

Ryan Mrdeza (3 territories)

1470 Ben Sawyer Blvd, Ste. D-13

USA

29464

Office: (847) 998-3112

Mt. Pleasant, SC

TENNESSEE

TMI Company Store - Nashville (18 territories)

907 Rivergate Pkwy Ste B6

USA

37072

Office: (951) 304-6243

Goodlettsville, TN

Matt Perrigo (6 territories)

2159 A-1 Thompson Lane

USA

37129

Office: (629) 201-5880

Murfreesboro, TN

TEXAS

TMI Company Store Austin - (23 territories)

1601 Rautherford Lane A -150

USA

78754

Office: (512) 419-0021

Austin, TX

Bob White (26 territories)

11034 Shady Trail Suite 116

USA

75229

Office: (972) 437-6253

Dallas, TX

Glen Goody (14 territories)

6300 Samuell Blvd. #111

USA

75228

Office: (972) 278-6000

Dallas, TX

Jona Boney & Jennifer Wadsworth (10 territories)

550 N. Main Street, Suite 200

USA

75116

Office: (972) 850-9299

Duncanville, TX

Josh & Megan Fuller (15 territories)

8901 W. Freeway Suite 109

USA

76116

Office: (817) 244-6243

Ft. Worth, TX

UTAH	Troy & Julaine Blanchard (12 territories)				
	5263 Barker Cypress Road, Ste. 400	USA	77084	Office:	(832) 593-7500
	Houston, TX				
	Rick & Michele Orlando (6 territories)				
	5750 N. Sam Houston Pkwy. East Suite 111	USA	77032	Office:	(281) 219-0022
	Houston, TX				
	Bob White (16 territories)				
	1400 Preston Road, Ste. 479	USA	75093	Office:	(972) 437-6253
	Plano, TX				
	John Park (4 territories)				
VERMONT	1566 US Highway 380 W #1661	USA	75078	Office:	(214) 796-0733
	Prosper, TX				
	Derk Wallace (19 territories)				
	1018 Clydeville Rd.	USA	78216	Office:	(210) 822-2526
VIRGINIA	San Antonio, TX				
	Von and Natalie Dawson (4 territories)				
	4588 Old Troup Hwy Suite 30	USA	75707	Office:	(903) 805-1054
	Tyler, TX				
	Lertpol Thongyu (4 territories)				
	6975 Union Park Ave, Ste. 605	USA	84047	Office:	(801) 290-8655
	Midvale, UT				
	Ronald Herath (5 territories)				
	7 Ambrose Place	USA	05401	Office:	(802) 652-2403
	Burlington, VT				
	Elizabeth Reynolds (17 territories including 4 D.C.)				
	4604 Pinecrest Office Park Drive Suite E	USA	22312	Office:	(703) 212-0100
	Alexandria, VA				
	TMI Company Store - Fairfax (15 territories)				
	9518 Lee Highway, Ste. B	USA	22031	Office:	(703) 691-7999
	Fairfax, VA				
	Elizabeth Reynolds				
	2239 E Tacketts Mill Drive	USA	22192	Office:	(703) 212-0100
	Lake Ridge, VA				
	Elizabeth Reynolds (10 territories)				
	9173 Key Commons Ct.	USA	20110	Office:	(917) 922-2563
	Manassas, VA				
	Thomas and Lynn Ronan (9 territories)				
	7858 Forest Hill Avenue	USA	23225	Office:	(804) 323-9007
	Richmond, VA				
	Mark & Helena Gilbert (9 territories)				
	506 Shaw Road Bay 314	USA	20166	Office:	(571) 203-0001
	Sterling, VA				

WASHINGTON

Michael & Dianne Bjorn (19 territories)

12811 8th Avenue W Suite C-201
Everett, WA

USA

98204

Office: (425) 353-8618

WISCONSIN

Paul Grant (11 territories)

3000 Cahill Main, Ste. J216
Fitchburg, WI

USA

53711

Office: (608) 273-4499

Paul Grant (14 territories)

9613 W Lincoln Ave.
West Allis, WI

USA

53227

Office: (414) 727-2992

CANADA BRITISH COLUMBIA

Bruce Biles (24 territories)

106 3993 Henning Drive
Banbury, BC

CANADA

V5C 6P7

Office: (604) 987-8181

ONTARIO

Charles Yee (5 territories)

2005 Sheppard Ave East
North York, ON

CANADA

M2J 5B4

Office: (416) 492-4609

Patricia Chioua (11 territories)

1108 Cannon St. E
Hamilton, ON

CANADA

L8L 2J6

Office: (905) 845-4995

Lynn Mulroy (5 territories)

97 McMaster Ave.
Ajax, ON

CANADA

L1S 2E6

Office: (905) 427-1773

The following franchisees are not operational as of September 30, 2024

FLORIDA

Angie Borrás & Giovanni Borrás (7 territories)

North Tampa, FL

Ronak & Vigishaben Jani (4 territories)

Wesley Chapel, FL

Fabian Montoya (7 territories)

Pompano Beach, FL

Noel Smith & Stephen Pohn (5 territories)

The Villages, FL

Karina Soares & Wanderson Lopes (5 territories)

Davenport, FL

NEW YORK

Patricia White (13 territories)

Brentwood, NY

TEXAS

Cecilia Avalos & Marcos Reyes (4 territories)

North Fort Worth, TX

WASHINGTON

Roshaan Rashid & Muhmmah Ahmad (4 territories)

Tahoma, WA

EXHIBIT C

FRANCHISEES THAT HAVE LEFT THE SYSTEM

|

Franchisees that have left the system as of September 30, 2024

Transfers/Reacquisitions:

Jim Segal Malborough, MA (508) 460-1551 12 Territories	Alejandro Benito & Alejandra Vergara Miami, FL (305) 640-8547 10 Territories
Amada Gonzales Redwood City, CA (650) 364-8444 5 Territories	RJ & Natalie Norman & Hannah & Josh Tavenner Tyler, TX (903) 805-1054 4 Territories
Stephen & Patricia Williams Haldon & Union, NJ (908) 851-2210 43 Territories	Al Madore Sunrise, FL (954) 796-7600 15 Territories
Lyanna & Wayne Smith Round Rock, TX (830) 431-9442 7 Territories Remains in System – reacquired.	Ken & Heidi Neel Goodlettsville, TN (951) 304-6243 18 Territories Remains in System – reacquired.
Mary Fales Palo Alto, CA (650) 319-02906 Territories	Michael & Cindy King Perrysburg, OH (419) 873-7000 4 territories

Closed:

Amy & Ken Yalden South Jacksonville, FL 6 Territories	Abdihabib Mohamed Abingdon, MA (407) 297-0433 4 Territories
Benjamin Edwards New York, NY (332) 219-9996 4 Territories	Timothy & Andrea Cheatwood Apopka, FL (321) 326-1214 7 Territories
Paul Rackleff Montrose, CO (970) 596-4826 4 Territories	Alexander Alvarez & Katherine Mora Wellington, FL (954) 820-9202 5 Territories
Kyle Pawlowski Grand Rapids, MI (231) 830-4903 4 Territories	
If you buy a The Maids® franchise, your contact information may be disclosed to other buyers when you leave the franchise system.	

EXHIBIT D

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

BETWEEN

THE MAIDS INTERNATIONAL, LLC

*9394 West Dodge Road, Suite 140
Omaha, NE 68114
(402) 558-5555
FAX: (402) 558-4112*

AND

Name(s) of Franchisee

INITIAL BUSINESS ADDRESS:

Street

City State Zip Code

()
Telephone

DATE OF FRANCHISE AGREEMENT

THE MAIDS INTERNATIONAL, LLC
FRANCHISE AGREEMENT

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THE MAIDS INTERNATIONAL, LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “Agreement”) is made and entered into to be effective as of this _____ day of _____, 20____ by and between The Maids International, LLC, a Nebraska limited liability company (“TMI”) and _____, a _____ (“Franchisee”);

R E C I T A L S:

WHEREAS, TMI has expended considerable time, effort, skill and financial resources in developing a business concept for operating businesses of a distinctive character and quality offering household maintenance and cleaning under the name “The Maids®” (the “System”) and has publicized the name The Maids® to the public and other businesses as an organization of businesses operating under the System;

WHEREAS, TMI represents that it has the right and the authority to license the use of the name The Maids®, Mr. Clean® and certain other trademarks, trade names, service marks, slogans, logos and commercial symbols (the “Marks”) for use in connection with the businesses operated in conformity with the System to selected persons, businesses or entities who will comply with TMI’s uniformity requirements and quality standards;

WHEREAS, The Franchisee desires to operate a business using the name The Maids® and the other Marks (a “The Maids® Business”) within the Designated Market Area set forth in Exhibit “A” in conformity with the System and TMI’s uniformity requirements and quality standards as established and promulgated from time to time by TMI;

WHEREAS, The Franchisee has had a full and adequate opportunity to read and review this Agreement and to be thoroughly advised of the terms and conditions of this Agreement by an attorney or other personal advisor, and has had sufficient time to evaluate and investigate the System, the financial requirements and the economic and business risks associated with the System;

WHEREAS, TMI is willing to provide the Franchisee with marketing, advertising, operational and other business information and “know-how” regarding the operation of a The Maids® Business that has been developed by TMI over time and at a significant cost and investment to TMI;

WHEREAS, The Franchisee acknowledges that it would take substantial capital and human resources to develop a business similar to the Franchised The Maids® Business and as a result, desires to acquire from TMI the right to use the Marks and the System and to operate a The Maids® Business subject to and under the terms and conditions set forth in this Agreement; and

WHEREAS, The Franchisee acknowledges that TMI would not grant the Franchise to the Franchisee or provide the Franchisee with any business information or operational know-how about the Franchised Business and the System unless the Franchisee agreed to comply in all respects with the terms and

conditions of this Agreement and to pay the Initial ~~Territory~~Franchise Fee, the SMART START Package Fee, the Continuing License Fees, all as defined below and the other fees and payments specified in this Agreement and any other agreements executed in connection with this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement and for other good and valuable consideration, the parties hereby contract as follows:

ARTICLE 1 GRANT OF FRANCHISE

1.1 GRANT. TMI grants to the Franchisee, subject to the terms and conditions of this Agreement, the personal right and license to:

- (A) establish and operate one The Maids® Business (the “Franchised Business”) within the specific geographic area described on Exhibit A to this Agreement that has been authorized by TMI (the “Designated Market Area”);
- (B) use the Marks under the terms and conditions of this Agreement to identify and promote the Franchised Business and the goods and services offered hereunder; and
- (C) use TMI’s proprietary business methods, know-how, standards and requirements for the System as set forth periodically in TMI’s Manuals, online media, ~~5~~ other manuals, training programs, The Maids® internet site or other communications to the Franchisee.

1.2 PROTECTED AREA. So long as this Agreement is in full force and effect and Franchisee is not in default under any of the terms hereof, TMI will not operate, or grant to any other The Maids® franchisee the right to operate, a The Maids® Business within the Designated Market Area without the prior consent of the Franchisee. TMI will have the absolute and unconditional right to grant other franchisees the right to use the name “The Maids®,” the other Marks and the System outside of the boundaries of the Designated Market Area. During the term of this Agreement and thereafter, TMI has the right to directly or indirectly sell any proprietary products that have been or may be developed by TMI to other persons, businesses or entities that are not The Maids® franchises through other methods of distribution (including, without limitation, the Internet) anywhere in the world, including the Designated Market Area. TMI reserves all rights not specifically granted to Franchisee.

1.3 TMI’S RIGHT TO ENTER PROTECTED AREA. Notwithstanding the provisions of Article 1.2 above, TMI may operate, or grant others the right to operate, a The Maids® Business within the Designated Market Area without the Franchisee’s written permission, if:

- (A) the Franchisee fails to cure a breach of this Agreement after TMI gives the Franchisee written notice of the breach in accordance with Article 16 of this Agreement; or
- (B) TMI terminates this Agreement in accordance with Article 16 of this Agreement.

1.4 DESIGNATED MARKET AREA/MULTIPLE FRANCHISE TERRITORIES. The Franchisee’s Designated Market Area will be made up of one or more Franchise Territories. ~~-A Franchise Territory consists of approximately 2490,000 to 150,000 households (“Households (“Households”)-”).~~ The

Designated Market described on Exhibit "A" of this Agreement consists of _____the number of Franchise Territories- identified in Section 1 of Exhibit "A."

ARTICLE 2 ACCEPTANCE BY FRANCHISEE

2.1 ACCEPTANCE. Franchisee accepts this Agreement and the license granted herein, and undertakes the obligation to operate the Franchised Business in accordance with the System within the Designated Market Area using the Marks in strict compliance with the terms and conditions of this Agreement for the entire term of this Agreement. The rights and privileges granted to the Franchisee by TMI under this Agreement are applicable only in the Designated Market Area, are personal in nature, and may not be used elsewhere or at any other location or within any other Designated Market Area within the United States or any other country by the Franchisee without the prior written permission of TMI. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, IF THE FRANCHISEE PERFORMS SERVICES, SELLS PRODUCTS OR OTHERWISE CONDUCTS BUSINESS OF THE TYPE COVERED BY THIS AGREEMENT INSIDE THE DESIGNATED MARKET AREA OF ANOTHER THE MAIDS FRANCHISEE, THEN THE FRANCHISEE WILL BE IN MATERIAL BREACH OF THIS AGREEMENT AND TMI WILL HAVE THE RIGHT TO TERMINATE THIS AGREEMENT IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF ARTICLE 16 BELOW; IN ADDITION, WITH RESPECT TO THE GROSS REVENUES RECEIVED FOR SUCH BUSINESS CONDUCTED INSIDE OF THE DESIGNATED MARKET AREA, THE FRANCHISEE WILL ALSO OWE COMPENSATION (UP TO 100% OF GROSS REVENUES EARNED) TO THE FRANCHISEE WHOSE DESIGNATED MARKET AREA WAS INFRINGED UPON. THE DEMAND FOR AND THE COLLECTION AND ACCEPTANCE OF THE RESTITUTION COMPENSATION UNDER THIS ARTICLE 2.1 WITH RESPECT TO BUSINESS CONDUCTED BY THE FRANCHISEE INSIDE OTHER FRANCHISEE'S DESIGNATED MARKET AREA SHALL NOT, UNDER ANY CIRCUMSTANCES, BE A WAIVER BY TMI OF THE FRANCHISEE'S OBLIGATION TO CONDUCT ITS BUSINESS ONLY WITHIN THE FRANCHISEE'S DESIGNATED MARKET AREA OR A WAIVER BY TMI OF ANY BREACH OF SUCH OBLIGATION. FRANCHISEE MAY NEVER SOLICIT OR SERVE CUSTOMERS IN ANY OTHER FRANCHISEE'S DESIGNATED MARKET AREA.

2.2 PERSONAL LICENSE. Franchisee will not have the right to franchise, sub-franchise, license or sublicense its rights under this Agreement. Franchisee will not have the right to assign or transfer this Agreement or its rights under this Agreement, except as specifically provided in this Agreement.

2.3 PERSONAL GUARANTY. If Franchisee is a corporation, limited liability company, limited partnership or other similar entity, then all individuals with an equity stake in The Maids® Business and all such individuals' spouses must personally guarantee all Franchisee's obligations to Franchisor pursuant to this Agreement. The form Personal Guaranty is attached as Exhibit B to this Agreement.

ARTICLE 3 TERM OF AGREEMENT; FRANCHISEE'S RIGHT OF RENEWAL

3.1 TERM. The term of this Agreement will be for 10 years, and will commence on the date set forth on Page 1 of this Agreement. This Agreement will not be enforceable until it has been signed by both the Franchisee and TMI, and until the signed Agreement has been delivered to the Franchisee.

3.2 CONDITIONS TO RENEWAL. At the end of the term of this Agreement, the Franchisee will have a right of first refusal to reacquire the Franchise for the Designated Market Area for

two renewal terms of five (5) years each, if Franchisee has agreed to and has complied in all respects with the following conditions:

- (A) The Franchisee has given TMI written notice of its intent to reacquire the Franchise for the Designated Market Area at least ~~360 days, but no more than 540 days~~nine (9) months prior to the end of the term of this Agreement;
- (B) The Franchisee has complied with all of the terms and conditions of this Agreement and has complied with TMI's operating and quality standards and procedures. In the event a business review hasn't been completed by TMI in the preceding 36 months of receiving notice, TMI will conduct a business review within 120 days of the end of the term of this Agreement and will allow Franchisee 90 days to remedy any deficiencies found during such business review;
- (C) All monetary obligations owed by the Franchisee to TMI have been remitted or satisfied prior to the end of the term of this Agreement and have been timely met throughout the term of this Agreement;
- (D) The Franchisee agrees to execute and comply with the then-current standard The Maids® franchise agreement then being offered to new franchisees by TMI, subject further to the provisions of Article 3.3 of this Agreement, and executes such agreement at least 180 days prior to the expiration of this Agreement;
- (E) The Franchisee executes a general release of claims in favor of TMI, in a form acceptable to TMI;
- ~~(E)~~(F) The Franchisee or the Franchisee's Manager agrees to complete and does successfully complete to TMI's reasonable satisfaction, prior to commencement of the renewal term, any retraining program TMI may prescribe, attendance at such retraining program to be at the sole expense of the Franchisee including, but not limited to, all expenses of transportation and lodging-; and
- (G) The Franchisee pay to Franchisor a renewal fee of \$7,500.

3.3 TERMS OF RENEWAL. The Franchisee will have a right of first refusal to reacquire the Franchise for the Designated Market Area under the same terms and conditions then being offered to other franchisees by TMI under TMI's then-current standard The Maids® franchise agreement-, except that each of the two renewal terms will be for five (5) years each. The Franchisee will, however, be required to remit the Continuing License Fees and all other fees at the rates specified in the then-current standard The Maids® franchise agreement, and to remit any additional fees not specified or provided in this Agreement but which are required to be remitted to TMI or others by the terms of the then-current standard The Maids® franchise agreement. TMI will not offer to sell the Franchise for the Designated Market Area at the end of the term of this Agreement to any other person or entity on more favorable terms or conditions than those being offered to the Franchisee. The Franchisee acknowledges that the terms, conditions, capital requirements, equipment costs and economics of subsequent The Maids® franchise agreements and the then-current standard The Maids® franchise agreement of TMI may, at that time, vary in substance and form from the terms, conditions and economics of this Agreement.

3.4 EXTENSION OF TERM. If Franchisee does not renew pursuant to the terms of this Article 3 at the expiration of the term and continues to accept the benefits of this Agreement after the expiration of the term, then at TMI's option, this Agreement may be treated as: (i) expired as of the date of

the expiration with Franchisee then operating the Franchised Business without a license to do so in violation of TMI's rights; or (ii) continued on a month-to-month basis until TMI provides Franchisee with notice of TMI's intent to terminate the month-to-month term. In the latter case, all of Franchisee's obligations shall remain in full force and effect as if this Agreement had not expired, and all obligations and restrictions imposed upon Franchisee upon the expiration of this Agreement shall be deemed to take effect upon the termination of the month-to-month term.

|

ARTICLE 4 LICENSING OF MARKS AND SYSTEM TO FRANCHISEE

4.1 TMI'S RIGHT TO LICENSE MARKS. TMI warrants that it has the right to grant the Franchisee and, except as provided herein, to license the Marks and the System to the Franchisee. Any and all improvements made by the Franchisee relating to the Marks or the System will be the sole and absolute property of TMI who will have the exclusive right to register and protect all such improvements in its name in accordance with applicable law. The Franchisee's right to use and identify with the Marks and the System will exist concurrently with the term of this Agreement and such use by the Franchisee will inure exclusively to the benefit of TMI.

4.2 CONDITIONS TO LICENSE OF MARKS. TMI hereby grants to the Franchisee the nonexclusive personal right to use the Marks and the System in accordance with the provisions of this Agreement. The Franchisee's nonexclusive personal right to use the name "The Maids®" as the name of the Franchised Business and its right to use the Marks and the System applies only to the Franchised Business within the Designated Market Area and such rights will exist only so long as the Franchisee fully performs and complies with all of the conditions, terms and covenants of this Agreement. The Franchisee will not have or acquire any rights in any of the Marks or the System other than the right of use as provided herein. The Franchisee will have the right to use the Marks and the System only in the manner prescribed, directed and approved by TMI in writing. If, in the judgment of TMI, the acts of the Franchisee infringe upon or demean the goodwill, uniformity, quality or business standing associated with the Marks or the System, then the Franchisee will, upon written notice from TMI, immediately modify its use of the Marks or the System in the manner prescribed by TMI in writing. Any and all goodwill associated with the Marks and the System will inure exclusively to TMI's benefit and upon the expiration or termination of this Agreement, no monetary amount will be assigned as attributable to any goodwill associated with the Franchisee's use of the Marks and the System. The Franchisee will at no time take any action whatsoever to contest the validity or the ownership of TMI's Marks and System and the goodwill associated therewith.

4.3 RESTRICTIONS ON INTERNET AND WEBSITE USAGE. Franchisee may market, advertise and promote its Franchised Business using social and professional networking sites, on-line listings, and on-line advertisements to promote the Franchisee's Franchised Business, only with TMI's prior written approval and in accordance with TMI's current social media and/or internet-related policies (if any). Notwithstanding the foregoing, TMI retains exclusive ownership and control over all online listings, including but not limited to Google Business pages, and reserves the right to create, operate, maintain, modify, or discontinue the use of any websites, social media profiles, professional networking sites, online listings, and online advertisements that utilize the Marks. Franchisee acknowledges and agrees that TMI has sole discretion over the content, maintenance, and management of all online listings, including those that feature the Marks, and that any online presence associated with the Marks must be authorized and managed by TMI. Franchisee will not, without TMI's prior written approval: (1) link or frame TMI's website; (2) create or register any internet domain name with any connection with Franchisee's Franchised Business; or (3) use any e-mail address which TMI has not authorized for use in operating the Franchised Business. Franchisee will not register, as internet domain names, any of the Marks now or hereafter owned by TMI or TMI's affiliate or any abbreviation, acronym or variation of the Marks, or any other name that could be deemed confusingly similar.

4.4 ADVERSE CLAIMS TO MARKS. If there are any claims by any third party that its rights to any or all of the Marks are superior to those of TMI and if TMI's attorneys are of the opinion that such claim by a third party is legally meritorious, or if there is an adjudication by a court of competent jurisdiction that any party's rights to the Marks are superior to those of TMI, then upon written notice from TMI, the Franchisee will, at its sole expense, immediately adopt and use the changes and amendments to

the Marks that are specified by TMI in writing. In that event, the Franchisee will immediately cease using the Marks specified by TMI, and will, as soon as reasonably possible, commence using the new trademarks, trade names, service marks, logos, designs and commercial symbols designated by TMI in writing in connection with all advertising, marketing and promotion of the Franchised Business. The Franchisee will not make any changes or amendments whatsoever to the Marks or the System unless specified or approved in advance by TMI in writing.

4.5 DEFENSE OR ENFORCEMENT OF RIGHTS TO MARKS OR SYSTEM. The Franchisee will have no right to and will not defend or enforce any rights associated with the Marks or the System in any court or other proceedings for or against imitation, infringement, prior use or for any other claim or allegation. The Franchisee will give TMI prompt and immediate written notice of any and all claims or complaints made against or associated with the Marks and the System and will, without compensation for its time and at its expense, cooperate in all respects with TMI in any lawsuits or other proceedings involving the Marks and the System. TMI will have the sole and absolute right to determine whether it will commence any action or defend any litigation involving the Marks and/or the System, and the cost and expense of all litigation incurred by TMI, including attorneys' fees, specifically relating to the Marks or the System will be paid by TMI.

4.6 TENDER OF DEFENSE. If the Franchisee is named as a defendant or party in any action involving the Marks or the System and if the Franchisee is named as a defendant or party solely because the plaintiff or claimant is alleging that the Franchisee does not have the right to use the Marks or the System licensed by TMI to the Franchisee within the Designated Market Area pursuant to this Agreement, then the Franchisee shall tender the defense of the action to TMI and TMI will, at its expense, defend the Franchisee in the action providing that the Franchisee has tendered the action to TMI within ten days after receiving service of the summons and complaint involving the action. TMI will indemnify and hold the Franchisee harmless from any damages assessed against the Franchisee in any actions resulting solely from the Franchisee's use of the Marks and the System within the Designated Market Area if the Franchisee has tendered the defense of the action to TMI.

4.7 FRANCHISEE'S RIGHT TO PARTICIPATE IN LITIGATION. The Franchisee may, at its expense, retain an attorney to represent it individually in all litigation and court proceedings involving the Marks or the System, and may do so with respect to matters involving only the Franchisee (i.e. not involving TMI or its interests); however, TMI and its attorneys will control and conduct all litigation involving the Marks or the System. Except as provided for herein, TMI will have no liability to the Franchisee for any costs that the Franchisee may incur in any litigation involving the Marks or the System, and the Franchisee will pay for all costs, including attorneys' fees, that it may incur in any litigation or proceeding arising as a result of matters referred to under this Article 4, unless it tenders the defense to TMI in a timely manner as provided for herein.

4.8 MR. CLEAN MARK. As of the date of this Agreement, the Marks include (among others) the "Mr. Clean®" trademark. TMI has the right to use, and license its franchisees to use, the Mr. Clean® trademark pursuant to a license agreement with The Proctor and Gamble Company ("P&G"). The Franchisee must feature the Mr. Clean® trademark prominently in conjunction with the The Maids® trademark and other Marks in the operation of the Franchisee's Franchised Business. The Franchisee must abide by P&G's and TMI's brand standards and obligations related to the use of the Mr. Clean® trademark, as described in the Manuals. If the agreement between TMI and P&G terminates, the Franchisee acknowledges that it must, at the Franchisee's expense, cease using the Mr. Clean® trademark in the operation of its Franchised Business upon written notice from TMI or P&G.

ARTICLE 5
INITIAL ~~TERRITORY~~FRANCHISE FEE; APPROVAL OF FRANCHISEE;
SMART START PACKAGE

5.1 INITIAL ~~TERRITORY~~FRANCHISE FEE. The “Initial ~~Territory~~Franchise Fee” is due and payable on the date this Agreement is executed by the Franchisee, ~~and is deemed fully earned and nonrefundable when paid.~~ The Initial ~~Territory~~Franchise Fee is described in Exhibit A. If additional Franchise Territories are purchased, the Franchisee will be required to remit an Initial ~~Territory~~Franchise Fee ~~of \$0.50 per Household according to the structure set forth in any Exhibit A for each additional Franchise Territories purchased Territory.~~ In order to purchase additional Franchise Territories, the Franchisee must not be in breach or default of any agreement with TMI and Franchisee must meet TMI’s then-current criteria for expansion. Any additional Franchise Territories to be purchased are subject to the final approval of TMI in its sole and absolute discretion.

5.2 USE OF INITIAL ~~TERRITORY~~FRANCHISE FEE. The Initial ~~Territory~~Franchise Fee payable by the Franchisee is payment, in part, to TMI for the costs incurred by TMI to operate its business, including costs for general sales and administrative expenses, sales commissions, market research, travel, long distance telephone calls, training, marketing and promotion, legal and accounting fees, compliance with federal and state franchising and other laws, and the initial services rendered by TMI to the Franchisee as set forth in this Agreement. The Initial ~~Territory~~Franchise Fee is fully earned upon execution of this Agreement and is nonrefundable, ~~except as set forth in Article 5.4 below.~~

5.3 TMI’S UNILATERAL RIGHT TO REJECT FRANCHISEE. TMI will have the absolute right to reject or disapprove the Franchisee and to cancel this Agreement at any time within 180 days after the date of this Agreement if TMI, in its sole discretion, determines that:

- (A) any required or other financial, personal or other information provided by the Franchisee to TMI is materially false, misleading, incomplete or inaccurate; or
- (B) the Franchisee or the Franchisee’s Manager is not qualified or competent to properly manage or operate the Franchised Business because such person has failed to successfully complete TMI’s training program, or because the Franchisee or the Franchisee’s Manager is deemed by TMI to be incapable of successfully completing TMI’s training program.

For purposes of this Agreement, “Manager” means that individual, designated by the Franchisee, who will be responsible on a full-time basis for the overall management of the Franchised Business, including responsibility for operations and sales.

~~**5.4 REFUND OF INITIAL TERRITORY FEE.** If TMI cancels this Agreement pursuant to Article 5.3, then the Initial Territory Fee paid by the Franchisee pursuant to Article 5.1 will be refundable to the Franchisee after TMI deducts all of its reasonable administrative and out of pocket expenses incurred as a result of TMI’s relationship with Franchisee, including, but not limited to, training costs, salespersons’ commissions, brokers’ fees, attorneys’ fees, audit fees, and travel expenses. TMI will notify the Franchisee in writing if the Franchisee is disapproved by TMI pursuant to Article 5.3, and TMI will provide the Franchisee with a written accounting of the administrative and out of pocket expenses that were incurred by TMI and deducted from the Initial Territory Fee paid by the Franchisee.~~

5.5.4 **SMART START PACKAGE FEE.** The Franchisee will pay TMI for the initial equipment supply package (the “SMART Start” package) in the amount described on Exhibit A. This fee is due and payable on the date this Agreement is executed by the Franchisee.

(A) **SMART Start Package.** TMI will provide the Franchisee with a list of the SMART Start package.

~~(B) **Refund of SMART Start Package.** This payment is fully earned upon execution of this Agreement and tender of such SMART Start package to the Franchisee and is nonrefundable, unless TMI rejects the Franchisee pursuant to Article 5.3 above. If the Franchisee is rejected pursuant to Article 5.3 above, then such payment shall be refunded to the Franchisee after TMI receives, freight prepaid, the returned SMART Start package and deducts the costs of any items not returned to TMI in a new and saleable condition, the determination of such condition to be in the sole and exclusive discretion of TMI.~~

~~(C)~~(B) **One-Time Fee.** Notwithstanding anything to the contrary in this Article 5.54, the Franchisee will not be obligated to purchase the SMART Start package referenced in this Article 5.54 if the Franchisee purchases additional contiguous territory after signing this Agreement and has previously purchased a SMART Start package; provided that the Franchisee must pay any applicable per user or per office fees.

ARTICLE 6 CONTINUING LICENSE FEES

6.1 CONTINUING LICENSE FEES. In addition to the Initial ~~Territory~~Franchise Fee payable by the Franchisee, the Franchisee will, for the entire term of this Agreement, remit to TMI weekly fees equal to a percentage of the Franchisee’s total combined weekly Gross Revenues which are received, billed or generated by, as a result of, in connection with or from the Franchised Business operated pursuant to this Agreement and any business that is involved or engaged in any fashion in the home services, cleaning or maintenance of interior or exterior of any residential or commercial structure or facility owned or controlled by, or under common control with, the Franchisee (the “Continuing License Fee”); provided, however, Franchisees who are currently operating a commercial cleaning business when they execute this Agreement are not required to pay a Continuing License Fee on income derived from their existing business and customer base. Any Franchisee not required to remit the continuing franchise fee on income derived from its current commercial customer base, shall provide a list of its current customers upon execution of this Agreement. The Continuing License Fees remitted by the Franchisee to TMI will not be refundable to the Franchisee under any circumstances. So long as the Franchisee has not failed to cure a default under any agreement with TMI after receiving written notice of such default, the percentage of weekly Gross Revenues is determined pursuant to the following chart:

<u>Weekly Gross Revenues</u>	<u>Continuing License Fee Percentage</u>
\$0 - 6,730	6.9%
\$6,731 - 13,460	6.5%
\$13,461 - 28,840	6.0%
\$28,841 - 48,070	5.5%
\$48,071 - 76,920	5.0%
\$76,921 - 134,615	4.5%
\$134,616 - above	3.9%

- The Continuing License Fee percentage is based on the lowest rate for one week of Gross Revenues.
- Notwithstanding anything to contrary in this Article 6.1, if Franchisee fails to cure a default under this or any other agreement with TMI within 30 days of receiving written notice of such default, then Franchisee's Continuing License Fee percentage will be 6.9% of Gross Revenues until such time as the default is cured.
- Notwithstanding anything to the contrary in this Article 6.1 or Article 6.4 and provided that Franchisee is in full compliance with the terms of all of its The Maids® franchise agreements, TMI will allow Franchisee to remit Continuing License Fees and AdvertisingMarketing Fund Fees at the lowest rate in any of its existing The Maids® franchise agreements until that agreement expires. For example, if Franchisee signed a The Maids® franchise agreement in year one and expanded in year two, Franchisee would be allowed to remit Continuing License Fees and AdvertisingMarketing Fund Fees at the rate in its first The Maids® franchise agreement for the area Franchisee expanded into year two until the first The Maids® franchise agreement expires. After the first The Maids® franchise agreement expires, Franchisee would remit Continuing License Fees and AdvertisingMarketing Fund Fees in accordance with the second The Maids® franchise agreement. Franchisee may not apply the lowest Continuing License Fee or AdvertisingMarketing Fund Fee rate to any The Maids® franchise agreement that Franchisee entered into as a result of an acquisition of an existing The Maids® Businesses after December 31, 2012. In that situation, Franchisee must pay TMI the Continuing License Fee and AdvertisingMarketing Fund Fee stated in that The Maids® franchise agreement.
- If Franchisee is in full compliance with the terms of all of its The Maids® franchise agreements and Franchisee owns multiple The Maids® Businesses, Franchisee may combine weekly Gross Revenues to reach the lowest possible Continuing License Fee percentage provided that Franchisee submit weekly Gross Revenues reports for all The Maids® Businesses on the same day in the format TMI requires. Notwithstanding the foregoing, Franchisee may not use any Gross Revenues from a The Maids® Business that Franchisee acquired as a result of any acquisition of an existing The Maids® Business after December 31, 2012 for the purposes of combining weekly Gross Revenues to reach the lowest possible Continuing License Fee percentage. Gross Revenue received in connection with any The Maids® Business that Franchisee acquired as a result of an acquisition of an existing The Maids® Business may not be combined with the Gross Revenue of any other The Maids® Business.
- Example: If Franchisee's Gross Revenues during week 1 are \$7,000, Franchisee will pay 6.5% of \$7,000 as the weekly Continuing License Fee for week 1. If Franchisee's weekly Gross Revenues are \$14,000 in week 2, Franchisee will pay 6.0% of \$14,000 as the Continuing License Fee for week 2. If in week 3, Franchisee had weekly Gross Revenues of \$15,000 in its first The Maids® Business, and Franchisee expanded into a new territory and opened a second The Maids® Business that had Gross Revenues of \$15,000 in the same week, Franchisee would pay 5.5% of the combined Gross Revenues of \$30,000 as the Continuing License Fee for that week. If in week 4, Franchisee had weekly Gross Revenues of \$30,000 in its first and second The Maids® Business, and Franchisee purchases an existing The Maids® Business that had Gross Revenues of \$15,000 in the same week, Franchisee would pay 5.5% of the combined Gross Revenues of \$30,000 and 6.0% of \$15,000 as the Continuing License Fee for that week.

6.2 MINIMUM CONTINUING LICENSE FEES. During the term of this Agreement, the Franchisee agrees to remit to TMI the minimum weekly Continuing License Fees set forth in the chart below for each of Franchisee's The Maids® franchise agreements. The Franchisee's failure to remit to

TMI the minimum weekly Continuing License Fees set forth below will be a material breach of this Agreement:

<u>Period from Date of This Agreement</u>	<u>Minimum Weekly Continuing License Fees Per Agreement</u>
Months 1 - 12	No minimum
Months 13 - 24	\$150
Months 25 - 48	\$200
Months 49 - thereafter	\$250

6.3 WEEKLY ADVERTISINGMARKETING FUND FEE. The Franchisee will, for the entire term of this Agreement, remit to TMI weekly AdvertisingMarketing Fund Fees equal to 2% of the Franchisee's weekly Gross Revenues which are received, billed or generated by, as a result of, in connection with or from the Franchised Business operated pursuant to this Agreement and any other cleaning and/or maintenance business owned or controlled by, or under common control with, the Franchisee (the "AdvertisingMarketing Fund Fee"). The weekly AdvertisingMarketing Fund Fees paid by the Franchisee to TMI will be deposited in The Maids® National AdvertisingMarketing Fund and will not be refundable to the Franchisee under any circumstances.

6.4 RIGHT TO INCREASE ADVERTISINGMARKETING FUND FEES. TMI reserves the right to increase the amount of the weekly AdvertisingMarketing Fund Fee. TMI agrees to review any such increase with The Maids® Advisory Council. Any increase in the weekly AdvertisingMarketing Fund Fees will not take effect until the Franchisee has been given at least 90 days prior written notice of the increase. Any increase will not be more than ½ of 1% in any two-year period.

6.5 WEEKLY TECHNOLOGY INNOVATION FUND FEE. The Franchisee will, for the entire term of this Agreement, remit to TMI weekly Technology Innovation Fund Fees from .25% to 1% of the Franchisee's weekly Gross Revenues which are received, billed, or generated by, as a result of, in connection with or from the Franchised Business operated pursuant to this Agreement and any other cleaning and/or maintenance business owned or controlled by, or under common control with, the Franchisee (the "Technology Innovation Fund Fee"). The weekly Technology Innovation Fund Fees paid by the Franchisee to TMI will be deposited in The Maids® National Technology Fund and will not be refundable to the Franchisee under any circumstances.

6.6 RIGHT TO INCREASE TECHNOLOGY INNOVATION FUND FEES. TMI reserves the right to increase the amount of the weekly Technology Innovation Fund Fee. Any increase in the weekly Technology Innovation Fund Fee will not take effect until the Franchisee has been given at least 90 days prior written notice of the increase. Any increase will not exceed the maximum 1% of the Franchisee's weekly Gross Revenues. The Technology Innovation Fund Fee will be capped annually at \$15,000 per franchisee per year.

6.7 GROSS REVENUES. "Gross Revenues" will mean the total dollar income resulting from all sales made to customers or clients of the Franchised Business, and of any other cleaning, maintenance or service businesses of the Franchisee or any entity owned or controlled by or under common control with the Franchisee, for all products and services including, without limitation, cleaning and/or maintenance of any structure's interior, exterior or contents, whether made for cash, credit or barter. "Gross Revenues" will not include any sales, use or gross receipts tax imposed by any taxing authority directly upon sales, if: (a) the amount of the tax is added to the selling price and is expressly charged to the customer; (b) a specific record is made at the time of each sale of the amount of such tax; and (c) the amount of such tax is paid to the appropriate taxing authority.

6.8 FRANCHISEE'S OBLIGATION TO PAY. The weekly Continuing License Fees, weekly ~~AdvertisingMarketing~~ Fund Fees, and weekly Technology Innovation Fund Fees payable to TMI under this Article 6 will be calculated and paid to TMI by the Franchisee on a weekly basis during the entire term of this Agreement, and the Franchisee's failure to pay the Continuing License Fees, weekly ~~AdvertisingMarketing~~ Fund Fees, and/or weekly Technology Innovation Fund Fees to TMI will be a material breach of this Agreement. The Franchisee's obligation to pay TMI the Continuing License Fees, ~~AdvertisingMarketing~~ Fund Fees, and Technology Innovation Fund Fees pursuant to the terms of this Agreement will be absolute and unconditional, and will remain in full force and effect until the term of this Agreement has expired or is terminated pursuant to its terms. The Franchisee will not have the "right of offset" and, as a consequence, the Franchisee will timely pay all Continuing License Fees, ~~AdvertisingMarketing~~ Fund Fees, and Technology Innovation Fund Fees due to TMI under this Agreement regardless of any claims or allegations the Franchisee may allege against TMI.

6.9 DATE AND TERMS OF PAYMENT. All Continuing License Fees, weekly ~~AdvertisingMarketing~~ Fund Fees, and weekly Technology Innovation Fund Fees will be calculated and paid weekly and are due and payable and must be received by TMI by no later than Wednesday following the end of each weekly period. For purposes of this Agreement, a "week" is 7 consecutive days beginning on Monday and ending on Sunday. The Franchisee will pay the Continuing License Fees, ~~AdvertisingMarketing~~ Fund Fees and Weekly Technology Innovation Fund Fees to TMI by pre-authorized electronic bank transfer from the Franchisee's account to the account of TMI or as otherwise directed by TMI. If the Franchisee's report of Gross Revenues is not received by TMI no later than Wednesday of each week, TMI will estimate and collect by pre-authorized electronic bank transfer based upon the most recent available data. Any Continuing License Fees, ~~AdvertisingMarketing~~ Fund Fees and Weekly Technology Innovation Fund Fees not received by TMI no later than Wednesday of each week for the preceding week will be past due. The Franchisee's report of Gross Revenues required under Article 13 of this Agreement will be submitted to TMI no later than Wednesday of each week for the preceding week.

6.10 LATE PAYMENT. Any amounts that are not paid to TMI when due shall bear interest from the date due until paid of the lesser of 18% per annum or the maximum legal rate of interest allowed by the state in which the Franchised Business is located. The Franchisee shall remit to TMI for any and all costs incurred by TMI in the collection of any unpaid amount from Franchisee including, but not limited to, attorneys' fees, costs and other expenses incurred in collecting amounts owed by the Franchisee.

ARTICLE 7 ADVERTISING

7.1 APPROVAL OF ADVERTISING. The Franchisee will use its best efforts to advertise and promote the Franchised Business. With the exception of the advertising materials provided to the Franchisee by TMI, all concepts, materials or media proposed by the Franchisee for any advertising, promotion, marketing or public relations program or campaign must have the prior written approval of TMI. The Franchisee will not permit any third party to advertise its business, services or products through the Franchised Business without obtaining the prior written approval of TMI.

7.2 LOCAL ADVERTISING. In addition to the ~~Weeklyweekly Marketing Fund Fee,~~ Franchisee must invest a minimum per month on the local advertising of The Maids® Business ("Local Advertising Fund Fees, the Franchisee agrees to invest \$3,750 a month for approved advertising and promotion for the first twelve months of Requirement"). The amount of the Local Advertising Requirement will depend on the ~~Franchised Business and~~ number of Territories purchased, according to the following: \$2,000500 per month during the for the first Territory; an additional \$500 per month for the second twelve months of the Franchised Business. Following the first twenty-four months of Territory; and an additional \$250 per month for each additional contiguous Territory beyond the operation of second Territory. Except

~~for the Franchised Business, the Franchisee will be required to invest a minimum of 0.7% of your Gross Revenues per year for advertising and promotion. The Franchisee's failure materials which TMI provides to Franchisee, TMI must approve, in writing, all concepts, materials or media which Franchisee proposes for any local advertising or marketing before its use. If Franchisee fails to invest the required monthly minimum for local advertising will be a material breach of this Agreement. On or before the 20th day of each month, the Franchisee will furnish to TMI, in the form prescribed by TMI, an accurate accounting of the Franchisee's monthly expenditures during the preceding month for approved advertising and promotion~~Local Advertising Requirement in the Designated Market Area. If the Franchisee has failed to invest such required annual minimum for approved advertising and promotion in any yearany month, then, in addition to any other remedies available to TMI under this Agreement, TMI may require ~~the~~ Franchisee to deposit with TMI the difference between the ~~required minimum~~Local Advertising Requirement and what was actually spent for approved advertising and promotion. ~~TMI will~~may use such amount in ~~the~~ Franchisee's Designated Market Area for advertising or promotion that TMI deems, in its sole discretion, to be in the best interests of the Franchised Business. TMI reserves the right to increase the Local Advertising Requirement by not more than 1/2 to 1% in a two-year period. TMI will review any proposed increase with the Advisory Council and will provide 90 days' written notice before assessing any such increase in the Local Advertising Requirement.

7.3 USE OF ADVERTISING FUNDS.MARKETING FUND. Payments to The Maids® National AdvertisingMarketing Fund by the Franchisee and any other The Maids® franchises will be used by TMI to purchase and pay for research and development, production materials, ad slicks, brochures, services provided by advertising agencies, market research, customer retention, incentive programs, radio and television commercials, internet and other advertising, promotions, marketing, public relations, telemarketing, communication and education, and for any other purpose deemed beneficial by TMI to the general recognition and public awareness of the Marks and the Business System, and any administrative costs and expenses related to the foregoing. Funds in The Maids® National AdvertisingMarketing Fund will be used to pay for all long distance telephone charges, office rental, furniture, fixtures and equipment, leasehold improvements, personnel, salaries, travel costs, office supplies, collection costs (including without limitation attorneys' fees) incurred in attempting to collect past-due weekly AdvertisingMarketing Fund Fees from franchisees and all other administrative costs associated with and incurred in connection with The Maids® National AdvertisingMarketing Fund. The Maids® National AdvertisingMarketing Fund will be administered and controlled exclusively by TMI. TMI will have the absolute and unilateral right to determine when, how and where any funds in The Maids® National AdvertisingMarketing Fund will be spent. TMI will have the right to retain and pay agency fees to an advertising agency which is owned by, or is an affiliate of, TMI or any of its principals. TMI will have no fiduciary duty to the Franchisee with respect to collection or expenditure of the weekly AdvertisingMarketing Fund Fees, and any advertising fundMarketing Fund will not be a trust or escrow account. Any The Maids® Businesses operated by TMI will be required to contribute to The Maids® National AdvertisingMarketing Fund in the same manner as franchisees.

7.4 RIGHT TO BORROW FUNDS. If The Maids® National AdvertisingMarketing Fund does not contain sufficient funds to make the expenditures determined by TMI, in its sole discretion, to be necessary or advisable, then TMI will have the right, but not the obligation, to loan funds to The Maids® National AdvertisingMarketing Fund in an amount sufficient to cover such expenditures, and the loan (plus interest as provided herein) will be repaid from future payments to The Maids® National AdvertisingMarketing Fund paid by all The Maids® Businesses pursuant to their The Maids® franchise agreements with TMI. TMI will have the right and option to either use its own funds, or borrow the necessary funds in the name of The Maids® National AdvertisingMarketing Fund or from one or more financial institutions. The unpaid balance of any loan made by TMI to The Maids® National AdvertisingMarketing Fund will accrue and pay interest at either: (a) a rate equal to the rate of interest established by First National Bank of Omaha as its "reference rate" at the time of the loan, if TMI utilized

its own funds for the loan; or (b) the rate equal to the rate of interest charged to TMI by the financial institution for the amount of the loan, if TMI borrowed the funds for the loan from a financial institution.

7.5 ACKNOWLEDGMENTS REGARDING NATIONAL
ADVERTISINGMARKETING FUND. The Franchisee acknowledges and agrees that The Maids® National AdvertisingMarketing Fund is intended to maximize general recognition of the Marks and patronage of all of The Maids® Businesses, including, without limitation, the Franchised Business. The Franchisee further acknowledges and agrees that: (a) TMI has no obligation to ensure that the expenditures by The Maids® National AdvertisingMarketing Fund in or affecting any territory or area will be proportionate to contributions by The Maids® Franchisees operating in that territory or area; (b) Franchisee, and other The Maids® Franchisees, may not benefit directly from or in proportion to its/their contributions to The Maids® National AdvertisingMarketing Fund or from the development of advertising and marketing materials and placement of advertisements by The Maids® National-AdvertisingMarketing Fund; (c) TMI is not required to invest any amount on advertising in the Designated Market Area; (d) TMI uses the funds in The Maids® National AdvertisingMarketing Fund to develop advertising materials which are made available to the Franchisee; and (e) Franchisee will, in all events, be liable for the costs of personalization, printing and shipping of advertising materials.

ARTICLE 8
CONFIDENTIAL STANDARD OPERATION MANUALS, CUSTOMER LISTS
AND OTHER INFORMATION

8.1 CONFIDENTIALITY OF MANUALS. The Franchisee will at all times during the term of this Agreement and thereafter treat the confidential standard operation manuals, compact discs, e-learning courseware, audio and videotapes, podcast and other media including web-based internet media, and all supplemental bulletins and notices from TMI, all of which are deemed a part of the operations manuals (collectively referred to as the “Manuals”), any other materials created for or approved for use in the operation of the Franchised Business, and the information contained therein as secret and confidential, and the Franchisee will use all reasonable means to keep such information secret and confidential. Neither the Franchisee nor any employees of the Franchisee will: (A) make any copy, duplication, record or reproduction of the Manuals, or any portion thereof, available to any unauthorized person; or (B) use the Manuals or any information contained therein in connection with the operation of any other business or for any purpose other than in conjunction with the operation of the Franchised Business. The Franchisee shall provide prompt notice to TMI of any lost or stolen confidential data and notice to TMI if the Franchisee or employee has breached this Article 8.1. The Franchisee’s failure to timely provide notice of breach of confidentiality shall be a material breach.

8.2 USE OF AND REVISIONS TO THE MANUALS. TMI will provide on loan to the Franchisee the Manual. The Manuals and all supplements, changes and modifications to the Manuals will remain the sole and exclusive property of TMI. The Manual will contain mandatory and suggested specifications, standards and operating procedures exist to protect TMI's interest in the System and the Marks and to create a uniform customer experience, and not for the purpose of establishing any control or duty to take control over those matters that are reserved to the Franchisee. TMI may from time to time revise the Manuals and the Franchisee expressly agrees to operate its Franchised Business in accordance with all such mandatory revisions. The Franchisee will at all times use only current and up-to-date Manuals and in the event of a dispute regarding the Manuals, the terms of the master copy of the Manuals maintained by TMI in its offices or on its intranet will be controlling. The Franchisee will promptly return to TMI any versions of the Manuals and Supplements that have been revised by TMI.

8.3 CONFIDENTIALITY OF OTHER INFORMATION. TMI will be disclosing and providing to the Franchisee certain confidential and proprietary information concerning the System and the

procedures, operations and data used in connection with the System. The Franchisee will not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any person or entity any such confidential and proprietary information, knowledge or know-how concerning the methods of operation of The Maids® Business which may be communicated to the Franchisee, or of which the Franchisee may be apprised by virtue of this Agreement. The Franchisee will divulge such confidential and proprietary information only to its employees who must have access to it in order to operate the Franchised Business. Any and all information, knowledge and know-how including, without limitation, drawings, client lists, materials, brochures, marketing materials, equipment, technology, methods, procedures, specifications, techniques, teaching methods, software programs, systems and other data which TMI copyrights or designates as confidential or proprietary will be deemed confidential and proprietary for the purposes of this Agreement ("Confidential Information"). Neither the Franchisee nor any employees of the Franchisee will make any copy, duplication, record or reproduction or any of the Confidential Information available to any unauthorized person. Any client lists developed by either TMI or the Franchisee and any information designated as Confidential Information by TMI will be and remain the sole and exclusive property of TMI.

8.4 CUSTOMER LISTS. The Franchisee acknowledges and agrees that TMI owns any and all customer lists that the Franchisee may develop during the normal course of operating the Franchised Business. The Franchisee agrees to provide to TMI upon its request, an electronic copy, or in a form TMI approves, a complete list of current and former customers, including their name, telephone number, complete mailing address, frequency of service, last date serviced, and price of service and other information concerning such customers as TMI requests. The Franchisee agrees to allow TMI to access the Franchisee's customer list through the Internet. The Franchisee agrees not to use any customer list for any purpose other than in the normal operation of the Franchised Business without TMI's approval. The Franchisee agrees to log all consumer inquiries and resulting sales and customer information into TMI's designated software.

8.5 CONFIDENTIALITY AGREEMENTS. All of the Franchisee's Managers and employees shall sign agreements in a form satisfactory to TMI agreeing to maintain the confidentiality, during the course of their employment and thereafter, of all information copyrighted or designated by TMI as confidential and proprietary. Copies of all confidentiality agreements executed by the Franchisee's Managers and employees will be promptly submitted to TMI.

8.6 REMEDIES. The Franchisee acknowledges that the provisions of this Article 8 are reasonable and necessary for the protection of TMI and TMI's franchisees. If the Franchisee violates any of the provisions contained in this Article 8, then TMI will have the right to:

- (A) terminate this Agreement as provided for in Article 16 below;
- (B) seek injunctive relief from a court of competent jurisdiction;
- (C) commence an action or lawsuit against the Franchisee for damages; and
- (D) enforce all other remedies or take such other actions against the Franchisee that are available to TMI under this Agreement, common law, in equity and any federal or state laws.

ARTICLE 9 TRAINING PROGRAM

9.1 SMART START SET-UP. Upon execution of this Agreement, TMI will provide a pre-opening program ("SMART Start Set-Up") for the Franchisee by telephone to familiarize and acquaint the Franchisee with the System and the operation of a The Maids® Business. The SMART Start Set-Up will follow a project-plan format and will include instruction on basic business procedures, training of employees, insurance, autos, basic accounting, basic computer operations and setup, selling and marketing techniques, office selection and setup and other business and marketing topics selected by TMI. Several of the SMART Start Set-Up topics are provided via web-based e-learning lessons and are required prerequisites to SMART Start Training described below. The Franchisee is required to successfully complete the SMART Start Set-Up prior to attending SMART Start Training, as defined below, and prior to commencing the business operations of the Franchisee's Business. The SMART Start Set-Up will be scheduled by TMI in its sole discretion. In the event TMI determines that the Franchisee has failed to successfully complete TMI's SMART Start Set-Up within 180 days of the date of this Agreement, then TMI will have the right to reject the Franchisee pursuant to Article 5.3 above. There is no charge for the SMART Start Set-Up.

9.2 SMART START TRAINING. After completing the SMART Start Set-Up, TMI will provide live hands-on training ~~in Omaha, Nebraska at our corporate headquarters, a designated training facility,~~ or at such other location as may be designated by TMI, ~~for. As of the Franchisee-issuance date of this Disclosure Document, our corporate headquarters is located in Omaha, Nebraska.~~ The purpose of this training is to familiarize and train new business owners and managers in the methods of operating a The Maids® Business. The SMART Start Training program, which will be scheduled by TMI in its sole discretion, may be up to six days. There is no charge for attendance at the SMART Start Training program for the Franchisee and the first two persons selected for SMART Start Training by the Franchisee. TMI reserves the right to charge a fee for attendance at the SMART Start Training program for each additional person sent to SMART Start Training by the Franchisee. Prior to commencing business operations the Franchisee must successfully complete SMART Start Training. We recommend the Franchisee employ, at all times, at least two persons who have successfully completed TMI's SMART Start Training program.

9.3 POWER TRAINING. In addition to the SMART Start Set-Up and the SMART Start Training program, TMI will provide the Franchisee with a training program referred to as the Power Training and described in this Article 9.3. Within 90 days of the opening of the Franchised Business, TMI will provide a training program for the Franchisee and its managers which will facilitate understanding of the System and its operation. TMI's technical trainer will review subjects such as quality, safety, inventory control and adherence to system procedures. A TMI qualified trainer or performance consultant will provide one to four days of on-site training for the franchise owner.

9.4 ADDITIONAL TRAINING. TMI may, from time to time, in its sole discretion, make available to the Franchisee additional required and optional training as live or online programs and reserves the right to establish charges payable by the Franchisee applicable to such additional training courses or programs.

9.5 PAYMENT OF WAGES AND EXPENSES; RELEASE OF CLAIMS. During the SMART Start Set-Up program, SMART Start Training program, Power Training program and any other training provided by TMI, the Franchisee will pay all the wages, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance, lodging, food, automobile rental, travel costs and other expenses for the Franchisee and all other persons who attend any such training on behalf of the Franchisee. The Franchisee, for itself and all persons who attend any such training on behalf of the Franchisee, hereby releases and agrees to hold harmless TMI, and its officers and directors, from and against any and all claims, liability, damages, or causes of action of any nature arising from the participation and attendance by the Franchisee or any such person in TMI's training programs.

9.6 ATTENDANCE AT NATIONAL CONVENTION. The Franchisee is required to attend each of The Maids® National Convention which TMI holds periodically and pay TMI the applicable fee; provided, however, that TMI shall not hold a National Convention more frequently than annually. If you fail to attend the National Convention, you will be charged an additional non-attendance fee.

ARTICLE 10 TMI'S OBLIGATIONS

10.1 SYSTEM. Consistent with TMI's uniformity requirements and quality standards, TMI or its authorized representative will:

- (A) provide the Franchisee with a list of approved suppliers and sources for the goods and services necessary and required for the Franchised Business;
- (B) provide recommendations to the Franchisee regarding basic accounting and business practices for use by the Franchisee in its Franchised Business;
- (C) make advertising and marketing recommendations;
- (D) review the Franchisee's Franchised Business as often as TMI deems necessary and render written reports to the Franchisee as deemed appropriate by TMI;
- (E) protect legally and enforce the Marks and the System for the benefit of all The Maids® franchisees in the manner deemed appropriate by TMI;
- (F) provide the Franchisee with access to the Manuals and any supplements and modifications to the Manuals that may be published by TMI from time to time;
- (G) provide the training set forth in Article 9 above;
- (H) assist the Franchisee in obtaining the insurance required under this Agreement through TMI's sponsored insurance program;
- (I) periodically, but no more frequently than annually, conduct a National Convention for all Franchisees which may include training seminars;
- (J) publish and distribute a newsletter to Franchisees at times, frequencies and in a format to be determined by TMI in its discretion; and
- (K) upon the reasonable written request of the Franchisee, render reasonable advisory services by telephone or in writing pertaining to use of the System and the operation of the Franchised Business as deemed appropriate, reasonable and necessary by TMI.

10.2 CONSULTING SERVICES. During the term of this Agreement, TMI will, upon the reasonable written request of the Franchisee, provide on-site consulting services to the Franchisee in the Designated Market Area regarding marketing, advertising and promotional issues, operational issues, accounting matters, personnel issues, and other business matters or special projects relating to The Maids® Business. The Franchisee will pay TMI the then current charge imposed by TMI for such consulting services, and will pay for the travel and lodging expenses incurred by the individual or individuals employed or retained by TMI who provide such consulting services to the Franchisee.

ARTICLE 11 FRANCHISEE'S OBLIGATIONS

11.1 QUALITY AND SERVICE STANDARDS. TMI will promulgate, from time to time, uniform standards of quality and service regarding the business operations of the Franchised Business so as to protect and maintain (for the benefit of all The Maids® franchisees and TMI) the distinction, valuable goodwill and uniformity represented and symbolized by the Marks and the System. Accordingly, to insure that all The Maids® franchisees will maintain and adhere to the uniformity requirements and quality standards for the products and services associated with the Marks and the System, the Franchisee agrees to maintain the uniformity and quality standards required by TMI for all products and services associated with the Marks and the System and agrees to the following terms and conditions to assure that all The Maids® Businesses will be uniform in nature and will sell and dispense quality products and services to the public.

11.2 IDENTIFICATION OF BUSINESS. The Franchisee will operate the Franchised Business so that it is clearly identified and advertised as a The Maids® Business. The style and form of the words "The Maids®" and the Marks used in any advertising, marketing, public relations, telemarketing or promotional program or campaign must have the prior written approval of TMI. The Franchisee will use the name "The Maids®", the approved logo and all graphics commonly associated with the System and the Marks which now or hereafter may form a part of TMI's System, on all vehicles, equipment, uniforms, advertising, public relations and promotional materials, signs, video tapes, stationery, paper supplies, business cards and other materials in the identical combination and manner prescribed by TMI in writing. The Franchisee will place www.maids.com on all printed materials, advertising materials and automobiles. The Franchisee will, at its expense, comply with all legal notices of registration required by TMI or its attorneys and will, at its expense, comply with all trademarks, trade names, service marks, copyrights, patents and other notice markings that are required by TMI or by applicable law.

11.3 COMPLIANCE WITH STANDARDS. The Franchisee will operate its Franchised Business and use the Marks and the System in strict compliance with the highest business and ethical practices and standards and the quality standards, operating procedures, policies, specifications, requirements and instructions required by TMI, which may be amended and supplemented by TMI from time to time.

11.4 FRANCHISEE'S NAME. The Franchisee will not use the words "The Maids®" in its corporate, partnership or sole proprietorship name. The Franchisee will hold itself out to the public as an independent contractor operating its The Maids® Business pursuant to a Franchise from TMI. Whenever practical, the Franchisee will clearly indicate on its business checks, stationery, business cards, invoices, receipts, video tapes, advertising, public relations and promotional materials, website, and other written materials that the Franchisee is a franchisee of TMI. The Franchisee will display signs on the Franchisee's vehicles which are clearly visible to the general public indicating that the Franchised Business is independently operated as a franchise. The Franchisee will file for a certificate of assumed name in the manner required by applicable state law so as to notify the public that the Franchisee is operating its Franchised Business as an independent business pursuant to this Agreement. Prior to adoption of an assumed name, the Franchisee shall submit such name to, and obtain the written approval of such name by TMI.

11.5 VEHICLES, SUPPLIES AND EQUIPMENT USED BY FRANCHISEE. The Franchisee will obtain and pay for the vehicles, supplies and equipment (including computer equipment and software) required by TMI and used by the Franchisee for the operation of the Franchised Business. The vehicles, supplies and equipment used in the Franchised Business shall comply with then-current prescribed color schemes, display the Marks as designated by TMI, and conform to the quality standards and uniformity requirements established by TMI from time to time. As of the date of this Agreement, the

Franchisee is required to use in operating its Franchised Business vehicles with the yellow body color prescribed by TMI that display The Maids® logo. All replacement vehicles, supplies, equipment and other items used in the Franchised Business by the Franchisee shall comply with TMI's then-current standards and specifications.

11.6 APPROVED ADVERTISING AND PROMOTION. The Franchisee will not conduct any media advertising, promotion, marketing, public relations or telemarketing programs or campaigns for its Franchised Business unless or until TMI has given the Franchisee prior written approval for all concepts, materials or media proposed for any media advertising, promotion, marketing, public relations or telemarketing program or campaign. The Franchisee will not permit any third party to advertise its business, services or products through the Franchised Business without obtaining the prior written approval of TMI.

11.7 SIGNS. The Franchisee will only display signs that have been approved by TMI in writing, and the Franchisee will not use or display any other signs of any kind or nature on the Franchisee's vehicles without obtaining the prior written approval of TMI prior to their installation or use.

11.8 MAINTENANCE OF VEHICLES AND EQUIPMENT. The Franchisee will, at its expense, repair and keep in good working order at all times all vehicles and equipment used in the Franchised Business in accordance with TMI's quality standards. The Franchisee will replace all equipment, supplies and vehicles as such items become worn-out or in disrepair. All replacement equipment, supplies, vehicles and other items used in the Franchised Business shall comply with TMI's then-current standards and specifications. Recognizing that the System's image is of the utmost importance, the Franchisee agrees to keep all automobiles, inside and out, clean at all times.

11.9 LIMITATIONS ON PRODUCTS AND SERVICES. The Franchisee will promote and sell only those products and services approved by TMI in writing and will offer for sale all products and services prescribed by TMI. The Franchisee will conform to all customer service standards and policies prescribed by TMI in writing. The Franchisee will have the absolute right to sell all products and services to its customers and clients at whatever prices and on whatever terms it deems appropriate.

11.10 MODIFICATION OF SYSTEM. The Franchisee acknowledges that the System must continue to evolve in order to reflect changing market conditions and to meet new and changing customer demands. Therefore, variations and additions to the System may be required from time to time to preserve and enhance the public image of the System and to improve the continuing operating efficiency of all Franchisees. Accordingly, Franchisee agrees that TMI may from time to time, upon written notice, add to, subtract from or otherwise change the System, including, without limitation, adopting new or modified trademarks, products, services, equipment (including computer equipment and software) and new techniques and methods relating to the sale, operation, promotion and marketing of services. The Franchisee agrees to promptly accept, implement, use and display in the operation of the Franchised Business all such additions, modifications and changes at its sole cost and expense.

11.11 COMPLIANCE WITH MANUALS. The Franchisee will conform to the common image and identity created by the products and services associated with The Maids® Business which are portrayed and described by the Manuals and the Franchisee will conform to all changes and modifications to the Manuals made by TMI and provided to the Franchisee that are required and deemed necessary by TMI to: (A) improve the standards of service or the products offered for sale under the System; (B) protect the goodwill associated with the Marks; or (C) improve the operation or efficiency of the Franchised Business. TMI reserves the right to revise the Manuals at any time during the term of this Agreement.

11.12 APPROVED SUPPLIERS. The Franchisee agrees that it will purchase only those products, goods, machinery, signs, vehicles, supplies, equipment and services (sometimes referred to in this

Agreement as “goods and services”) which are to be used or sold by the Franchisee that are approved in writing by TMI and which TMI determines must meet the standards of quality and uniformity required to protect the valuable goodwill and uniformity symbolized by and associated with the Marks and the System. These goods and services may only be purchased from suppliers, approved in writing by TMI. TMI periodically may modify the lists of approved goods, services and suppliers, and the Franchisee will comply with such modified lists of approved goods, services and suppliers. If the Franchisee proposes to use or sell any goods and services which TMI has not approved, or purchase any goods or services from suppliers that TMI has not approved, the Franchisee must first notify TMI in writing and provide sufficient information, specifications and samples concerning the goods or service and/or supplier to permit TMI to determine whether the goods or service complies with TMI’s specifications and standards and/or the supplier meets TMI’s approved supplier criteria. TMI may develop procedures for the submission of requests for approved goods or service, or suppliers and obligations that approved suppliers must assume (which may be incorporated in a written agreement to be signed by approved suppliers). TMI will have the right to charge the Franchisee or each proposed supplier a reasonable fee in reviewing a proposed good or service or supplier. TMI may impose limits on the number of suppliers and/or brands for goods or service to be used in the Franchised Business. The Franchisee agrees that certain products, materials, and other items and supplies may only be available from one source, and TMI or its affiliates may be that source.

11.13 SALES TO OTHERS. The Franchisee hereby acknowledges and agrees that TMI has the right to directly or indirectly sell any proprietary or other products or merchandise under the name “The Maids®,” or any other name that has been or may be developed by TMI, to other persons, businesses or entities, including without limitation those that are not The Maids® franchisees, through any method of distribution anywhere in the world, including in the Franchisee’s Designated Market Area.

11.14 COMPLIANCE WITH APPLICABLE LAWS. The Franchisee will, at its sole expense, comply with all applicable federal, state, city, local and municipal laws, ordinances, rules and regulations pertaining to the operation of the Franchised Business, including, but not limited to, health and safety regulations, all environmental laws, all laws relating to labor and employment, all discrimination laws, all sexual harassment laws and all laws relating to the disabled. The Franchisee will, at its sole expense, consult an attorney to obtain advice with regard to the Franchisee’s compliance with all federal and state environmental laws, OSHA laws, licensing laws and all other laws relating to the application, storage and disposal of products used by the Franchised Business. The Franchisee will, at its sole expense, be absolutely and exclusively responsible for determining the licenses and permits required by law for the Franchised Business, for filing, obtaining and qualifying for all such licenses and permits, and for complying with all applicable laws. The Franchisee must comply with all laws and regulations relating to privacy and data protection, and must comply with any privacy policies or data protection and breach response policies TMI may periodically establish. In addition, the Franchisee must comply with all applicable data security standards set by the payment card industry. The Franchisee must notify TMI immediately of any suspected data breach at or in connection with the Franchised Business.

11.15 PAYMENT OF OBLIGATIONS. The Franchisee will timely pay all of its uncontested and liquidated obligations and liabilities due and payable to TMI, and to the suppliers, lessors and creditors of the Franchisee.

11.16 PAYMENT OF TAXES. The Franchisee will be absolutely and exclusively responsible and liable for the prompt filing and payment of all federal, state, city and local taxes including, but not limited to, individual and corporate income taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, F.I.C.A. taxes, unemployment taxes, inventory taxes, personal property taxes, real estate taxes and other taxes payable in connection with the Franchised Business (hereinafter referred to as “Taxes”). TMI will have no liability for the Taxes which arise or result from the Franchised Business and the Franchisee will indemnify TMI for any such Taxes that may be assessed or levied against TMI

which arise or result from the Franchised Business. It is expressly understood and agreed by the Personal Guarantors, as defined in Article 19.1 to this Agreement that their personal guaranty applies to the prompt filing and payment of all Taxes which arise or result from the Franchised Business.

11.17 REIMBURSEMENT TO TMI FOR TAXES. In the event any “franchise” or other tax which is based upon the Gross Revenues, receipts, sales, business activities or operation of the Franchised Business is imposed upon TMI by any taxing authority, then the Franchisee will reimburse TMI in an amount equal to the amount of such taxes and related costs imposed upon and paid by TMI. The Franchisee will be notified in writing if TMI is entitled to reimbursement for the payment of such taxes and, in that event, the Franchisee will pay TMI the amount specified in the written notice within ten days of the date of the written notice.

11.18 STANDARD ATTIRE. The Franchisee will require its employees to wear only the standard attire or uniforms which have been established and approved by TMI. All employees of the Franchisee will wear clean and neat attire and will practice good personal hygiene. Management and employees will wear the safety or protective clothing or equipment designated by TMI and any appropriate regulatory agencies.

11.19 PERSONNEL. The Franchisee will at all times have at least one Manager on duty that is responsible for supervising the employees and the business operations and for the sales and promotion of the Franchised Business. The Franchisee will also employ at least one team leader per team and will have a sufficient number of adequately trained and competent other personnel on duty to guarantee efficient service to the Franchisee’s customers and clients. The Franchisee will use its best efforts to assure that the Franchisee employees conduct themselves during business hours in a manner which is consistent with The Maids® professional image.

11.20 TMI’S INSPECTION RIGHTS. TMI reserves the right to interview the Franchisee’s employees, to take photographs and videotapes of the Franchisee’s vehicles and of the work being performed by the Franchisee’s employees on the Franchisee’s customers’ premises during normal business hours, and to evaluate the quality of the services provided by the Franchisee to its customers. TMI will have the right to use all interviews, photographs and videotapes of the Franchised Business for such purposes as TMI deems appropriate including, but not limited to, use in training, advertising, marketing and promotional materials, and as evidence in any court or other proceeding. The Franchisee will not be entitled to, and hereby expressly waives, any right that it may have to be compensated by TMI, its advertising agencies, or other The Maids® franchisees for the use of such interviews, photographs or videotapes for training, advertising, marketing, promotional and/or litigation purposes.

11.21 NO SECURITY INTEREST. This Agreement and the Franchise granted to the Franchisee hereunder may not be the subject of a security interest, lien, levy, attachment or execution by the Franchisee’s creditors or any financial institution, except with the prior written approval of TMI.

11.22 NOTICES OF DEFAULT, LAWSUITS OR OTHER CLAIMS. The Franchisee will immediately deliver to TMI a copy of any notice of default received from any mortgagee, trustee under any deed of trust, contract for deed holder, lessor or any other party with respect to the Franchised Business and copies of all written notifications of any lawsuits, consumer claims, employee claims, federal or state administrative or agency proceedings or investigations or other claims, actions or proceedings relating to the Franchised Business. Upon request from TMI, the Franchisee will provide such additional information as may be required by TMI regarding the alleged default, lawsuit, claim, action, investigation or proceeding, and any subsequent action or proceeding in connection with the alleged default, lawsuit, claim, action, investigation or proceeding.

11.23 TELEPHONE EQUIPMENT AND NUMBER. In addition to standard telephone equipment at the office for the Franchised Business, the Franchisee will, at its sole expense, obtain and maintain at all times during the term of this Agreement either a telephone answering machine, voice mail system or mobile cellular telephone equipment as may be required for the Franchised Business. The Franchisee's telephone answering machine, voice mail system or mobile cellular telephone equipment must meet the then-current standards and specifications established by TMI. The Franchisee agrees to answer the Franchised Business's telephone live during normal business hours. The Franchisee acknowledges that TMI may require it to obtain and maintain a phone line for sales and advertising and a separate telephone line for operations. The Franchisee agrees to obtain new telephone numbers for the conduct of the Franchised Business and shall assign, in writing, on instruments approved in advance by TMI, all rights to each of such numbers to TMI, such assignment to be effective upon termination of this Agreement. Assignment of such phone numbers will occur when representatives of the Franchisee attend TMI's SMART Start Training program. The Franchisee shall, at all times during the term of this Agreement, subscribe to an internet service provider and an electronic mail service provider and install and maintain a high-speed internet connection for such service.

11.24 EQUIPMENT; ACCESS TO INFORMATION. The Franchisee will, at its sole expense, obtain and maintain at all times during the term of this Agreement, such computer equipment, electronic telephone facsimile, internet access via the fastest high-speed service provider reasonably available (excluding dial-up), and other equipment as may from time to time be required by TMI for use in operating the Franchised Business, including without limitation for use with the required software. The Franchisee agrees to use and obtain at its sole expense, at all times during the term of this Agreement, the latest version of the required software in the Franchised Business and process all credit card payments through such software or another approved credit card processor. TMI shall have no obligation to update, upgrade, or otherwise modify any software utilized in The Maids® System, including but not limited to, any software provided by TMI. All such equipment must meet the then-current standards and specifications established by TMI. The Franchisee acknowledges and agrees that TMI has the right to access, both electronically and through hard copy of printed data, all data and other information, including customer lists, maintained by the Franchisee on such computer equipment for purposes of monitoring compliance by the Franchisee with its obligations under this Agreement and for any other purpose deemed beneficial by TMI to The Maids® System and all The Maids® franchisees. The failure of the Franchisee to provide or allow such access to the data and other information maintained on the Franchisee's computer equipment will be a material breach of this Agreement and will give TMI the right to immediately terminate all computer support provided by TMI and to immediately terminate the Franchisee's rights to use the required software. In addition, the Franchisee is solely responsible for protecting itself from disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders, and the Franchisee waives any and all claims the Franchisee may have against TMI as the direct or indirect result of such disruptions, failures or attacks.

11.25 OPERATION OF THE MAIDS® BUSINESS. The Franchisee will be totally and solely responsible for operating its Franchised Business, and will control, supervise and manage all the employees, agents and independent contractors who work for or with the Franchisee. The Franchisee will be responsible for the acts of its employees, agents and independent contractors, and will take all reasonable business actions necessary to ensure that its employees, agents and independent contractors comply with all federal, state and local laws, rules and regulations including, but not limited to, all employment laws, discrimination laws, sexual harassment laws and laws relating to the disabled. TMI will not have any right, obligation or responsibility to control, supervise or manage the Franchisee's employees, agents or independent contractors, and Franchisee will be solely responsible for the terms and conditions of employment of Franchisee's personnel, including the soliciting, hiring, firing, disciplining, paying, scheduling, and managing of Franchisee's employees.

11.26 USE OF INTERNET. The Franchisee's conduct on the Internet or any existing or future forms of electronic or digital communications, including without limitation, its use of the Marks on the Internet and in domain names for the Internet, is subject to the provisions of this Agreement. TMI reserves the right to establish and modify, from time to time, rules which will govern the Franchisee's conduct and use of the Internet or any existing or future forms of electronic or digital communications, in connection with the Franchised Business, and the Franchisee agrees to abide by such rules. The Franchisee's right to use the Marks and the System on the Internet will terminate when this Agreement terminates or expires.

11.27 USE OF TECHNOLOGY INNOVATION FUND. Payments to The Maids® National Technology Innovation Fund by the Franchisee and any other The Maids® franchises will be used by TMI to purchase and pay for the research, development and utilization of technologies, and incentive programs in order to give The Maids® franchises a competitive advantage in operational efficiency; information management; any and all other technology TMI deems beneficial for the System; and any administrative costs and expenses related to the foregoing. Funds in The Maids® National Technology Fund will be used to pay for all long distance telephone charges, office rental, furniture, fixtures and equipment, leasehold improvements, personnel, salaries, travel costs, office supplies, incentives, collection costs (including without limitation attorneys' fees) incurred in attempting to collect past-due weekly Technology Innovation Fund Fees from franchisees, and all other administrative costs associated with an incurred in connection with The Maids® National Technology Innovation Fund. The Maids® National Technology Innovation Fund will be administered and controlled exclusively by TMI. TMI will have the absolute and unilateral right to determine when, how, and where any Funds in The Maids® National Technology Innovation Fund will be spent. TMI will have no fiduciary duty to the Franchisee with respect to collection or expenditure of the weekly Technology Innovation Fund Fees, and any technology fund will not be a trust or escrow account. Any The Maids® Businesses operated by TMI will be required to contribute to The Maids® National Technology Innovation Fund in the same manner as franchisees.

11.28 ACKNOWLEDGMENTS REGARDING NATIONAL TECHNOLOGY INNOVATION FUND. The Franchisee acknowledges and agrees that The Maids® National Technology Fund is intended to maximize technology advancement and any competitive advantages of all The Maids® Business, including, without limitation, the Franchised Business. The Franchisee further acknowledges and agrees that: (a) TMI has no obligation to ensure that the expenditures by The Maids® National Technology Innovation Fund in or affecting any The Maids® Business will be proportionate to contributions by The Maids® Franchisees; and (b) Franchisee, and other The Maids® Franchisees, may not benefit directly from or in proportion to its/their contributions to The Maids® National Technology Innovation Fund or from the research, development and implementation of new technologies by The Maids® National Technology Innovation Fund.

11.29 NON-COMPLIANCE FEE. The Franchisee agrees to pay to TMI a "Non-Compliance Fee" if the Franchisee fails to comply on a timely basis with certain obligations under this Agreement or the Manuals as consideration for the expenses TMI incurs in addressing the Franchisee's failure to comply with the terms of this Agreement. All Non-Compliance Fees shall be imposed according to the schedule stated in the Manuals, and in no event will exceed \$500 per occurrence.

ARTICLE 12 INSURANCE

12.1 GENERAL LIABILITY INSURANCE. The Franchisee will procure and maintain in full force and effect, at its sole cost and expense, general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate (with a deductible no greater than \$100,000) insuring the Franchisee, TMI, P&G, and their respective officers, directors, agents and employees from and against any and all loss, liability, claim or expense of any kind whatsoever, including losses connected with

Franchisee's professional work, bodily injury, personal injury, death, property damage, products liability and all other occurrences resulting from the condition, operation, use, business or occupancy of The Maids® Business and the Franchisee's office.

12.2 VEHICLE INSURANCE. The Franchisee will procure and maintain in full force and effect, at its sole cost and expense, automobile liability insurance with coverage of at least \$1,000,000 insuring the Franchisee, TMI and their respective officers, directors, agents and employees from any and all loss, liability, claim or expense of any kind whatsoever resulting from the use, operation or maintenance of all automobiles, trailers or vehicles owned by the Franchisee or used by the Franchisee or any of the Franchisee's employees (including vehicles or trailers owned or leased by any employee of the Franchisee) in connection with the Franchised Business.

12.3 PROPERTY INSURANCE; FIRE AND EXTENDED COVERAGE. The Franchisee will procure and maintain in full force and effect, at its sole cost and expense, "all risks" property insurance coverage, which must include fire and extended coverage, for the inventory, machinery, equipment and fixtures and furnishings owned or leased by the Franchisee and used by the Franchised Business. The Franchisee's property insurance policy (including fire and extended coverage) must have coverage limits of at least "replacement" cost.

12.4 THIRD-PARTY FIDELITY INSURANCE. The Franchisee will procure and maintain in full force and effect, at its sole cost and expense, a third-party fidelity bond or similar insurance with coverage of at least \$25,000 insuring the Franchisee, TMI and their respective officers, directors, agents and employees from and against any and all loss, liability, claim or expense of any kind whatsoever relating to any theft from customers.

12.5 INSURANCE REQUIRED BY LAW. The Franchisee will, at its sole cost and expense, procure and maintain all other insurance required by state or federal law, including workers' compensation insurance for its employees.

12.6 OTHER INSURANCE. The Franchisee will, at its sole cost and expense, also procure and maintain all insurance required under any lease, mortgage, deed of trust, contract for deed or any other legal contract in connection with the Franchised Business. The insurance policies described above are minimum requirements, and the Franchisee may purchase and maintain additional insurance policies or insurance policies with greater coverage limits.

12.7 INSURANCE COMPANIES; EVIDENCE OF COVERAGE. All insurance companies providing coverage to the Franchisee and the Franchised Business must be acceptable to and approved by TMI, and must be licensed in the state where coverage is provided. The Franchisee will provide TMI with certificates of insurance, insurance policy endorsements, or other information TMI requires evidencing the insurance coverage required of the Franchisee pursuant to this Article 12 prior to the date the Franchisee's representatives attend TMI's SMART Start Training program, and the Franchisee will immediately provide, upon expiration, change or cancellation, a new certificate of insurance to TMI.

12.8 DEFENSE OF CLAIMS. All liability insurance policies procured and maintained by the Franchisee will require the insurance company to provide and pay for attorneys to defend any legal actions, lawsuits or claims brought against the Franchisee, TMI, and their respective officers, directors, employees and agents.

12.9 TMI'S RIGHTS. All insurance policies procured and maintained by the Franchisee pursuant to this Article 12 will name TMI as an additional insured on all policies except workers compensation, will contain endorsements by the insurance companies waiving all rights of subrogation

against TMI, and will stipulate that TMI will receive copies of all notices of cancellation, nonrenewal, or coverage reduction or elimination at least 30 days prior to the effective date of such cancellation, nonrenewal or coverage change.

12.10 MATERIAL BREACH. The Franchisee's failure to comply with the provisions of this Article 12 will be a material breach of this Agreement and TMI will have the right, but not the obligation, to procure on behalf of the Franchisee and the Franchised Business, any and all insurance required under this Agreement with the agent and insurance company of TMI's choice. TMI will invoice the Franchisee for all costs and expenses incurred by TMI to procure the required insurance coverage on behalf of the Franchisee and the Franchised Business. Within ten days of receipt of an invoice from TMI, the Franchisee agrees to pay all amounts owed to TMI for costs and expenses to procure insurance coverage on behalf of the Franchisee and the Franchised Business.

ARTICLE 13 FINANCIAL STATEMENTS, REPORTS OF GROSS REVENUES; FORMS AND ACCOUNTING

13.1 MONTHLY, YEAR-TO-DATE AND ANNUAL FINANCIAL STATEMENTS. The Franchisee will, at its expense, provide TMI with a monthly profit and loss statement and an annual profit and loss statement. All financial statements provided to TMI for the Franchised Business will be presented in the exact form and format prescribed by TMI in writing, and will be categorized according to the standard chart of accounts developed and approved by TMI. The Franchisee's financial statements will be prepared in accordance with generally accepted accounting principles applied on a consistent basis.

13.2 VERIFICATION OF FINANCIAL STATEMENTS. If the Franchisee's annual financial statements are not audited by an independent certified public accountant, then, if the Franchisee is a corporation, the Franchisee's annual financial statements must be certified in writing as accurate by the Franchisee's President and Chief Financial Officer, or if the Franchisee is a partnership, then by the Franchisee's Partners, or if the Franchisee is an individual, then by the Franchisee.

13.3 DUE DATE. The Franchisee's monthly and year-to-date financial statements will be delivered to TMI by the 20th day of each month for the preceding month, and the Franchisee's annual financial statements will be delivered to TMI within 60 days after the Franchisee's fiscal year end.

13.4 TAX RETURNS. Within ten days after the Franchisee files any such return with the applicable governmental agencies, the Franchisee will provide TMI with a signed copy of each of the Franchisee's annual federal and state income tax returns, sales tax returns, and a copy of any other federal, state and local tax returns filed by the Franchisee including, but not limited to, any amended tax return filed by the Franchisee for a preceding year or other period, together with written proof that the Franchisee has paid all taxes due. TMI will not disclose any such tax returns to persons not employed by TMI except as may be reasonably necessary in the conduct of TMI's business.

13.5 WEEKLY REPORTS OF GROSS REVENUES AND CUSTOMERS. The Franchisee will maintain an accurate record of the daily Gross Revenues of the Franchised Business and will remit a report of the Gross Revenues generated by, at, as a result of, or from the Franchised Business using such formats as TMI may from time to time prescribe in writing. In addition, the Franchisee will maintain an accurate record of a complete list of current and former customers, including their name, telephone number, complete mailing address, frequency of service, last date serviced, and price of service, budgeted minutes and other information concerning such customers as TMI may request, of the Franchised Business and will remit a report of such customer information using such formats as TMI may from time to time prescribe in writing. The reports of Gross Revenues and customer information as provided above,

must be signed and certified as accurate by the Franchisee and will be delivered to TMI on or before Monday of each week for the preceding week.

13.6 AUDIT OR REVIEW RIGHTS. TMI or its authorized agent shall have the right to audit or review the Franchisee's books and records. The Franchisee and the Franchisee's accountants will make all of their records, ledgers, work papers, books, accounts and financial information available to TMI or its authorized agent during regular business hours and at all other reasonable times for review and audit by TMI or its designee. The Franchisee must, upon TMI's written request, make photocopies of all records TMI requests and forward them to TMI or its authorized representative. To the extent the Franchisee's financial records are computerized, TMI will have the absolute right to access the Franchisee's computer and software programs containing the financial records and to copy, or have the Franchisee copy, the financial records to a computer disk or to any portable or other computer owned or controlled by TMI. The Franchisee's financial records for each fiscal year will be kept in a secure place by the Franchisee and will be available for audit by TMI for at least five years. If such an audit or review reveals that the Franchisee's Gross Revenues were understated by more than 2%, or that the Franchisee has underpaid the monthly Continuing License Fees by more than \$500 during any 12 month period, then the Franchisee will remit to TMI the amount incurred by TMI to audit or review the Franchisee's books and records, which will not exceed \$5,000, plus all costs and expenses (including salaries of TMI's employees, travel costs, room and board, audit fees, attorneys' fees, and professional fees) that TMI incurred as a result of the audit or review of the Franchisee's financial records, ~~but no less than \$5,000.~~ If the Franchisee has related businesses, TMI reserves the right to obtain information to confirm the accuracy of Continuing License Fees submissions. If the Franchisee has underpaid TMI, then the Franchisee will, within ten days of receipt of an invoice from TMI indicating the amounts owed, remit to TMI any deficiency in Continuing License Fees or other amounts owed to TMI, together with interest as provided for herein. Such understatement of earnings shall be a material breach of this Agreement as set forth in Article 16.1. The Franchisee's failure or refusal to produce the books and financial records for audit or review by TMI or its authorized agent in accordance with this Article 13.6 will constitute a material breach of this Agreement and will be grounds for the immediate termination of this Agreement by TMI.

13.7 PRE-AUTHORIZED BANK TRANSFERS. The Franchisee will, from time to time during the term of this Agreement, execute such documents as TMI may request to provide the Franchisee's unconditional and irrevocable authority and direction to its bank or financial institution authorizing and directing the Franchisee's bank or financial institution to allow transfer directly to the bank account of TMI, and to charge to the account of the Franchisee the amount of Continuing License Fees, including but not limited to Continuing License Fees and Weekly ~~Advertising~~ Marketing Fund Fees, and other sums due and payable by the Franchisee to TMI pursuant to this Agreement, the Software License Agreement or any other agreement between TMI and the Franchisee, including but not limited to any promissory note executed by Franchisee in favor of TMI. The transfer authorizations will be in the form prescribed by TMI's bank. The Franchisee's authorizations will permit TMI to designate the amount to be transferred from the Franchisee's account, and to adjust such amount from time to time, for the Continuing License Fees and other sums then payable to TMI from the Franchisee. If the Franchisee fails at any time to provide the weekly reports of Gross Revenues required under this Article 13, then TMI will have the right, in its sole discretion, to estimate the amount of Continuing License Fees and other sums due and payable to TMI, and to transfer such estimated amount from the Franchisee's bank account to TMI's bank account. The Franchisee will at all times maintain a balance in its account at its bank or financial institution sufficient to allow the appropriate amount to be transferred from the Franchisee's account for payment of the Continuing License Fees and other sums payable by the Franchisee directly to TMI's bank account. The Franchisee shall pay all charges imposed by its financial institution for the establishment and implementation of the pre-authorized electronic bank transfers referenced above. Failure to do so shall be a material breach of this Agreement.

13.8 ELECTRONIC REPORTING REQUIRED. The Franchisee acknowledges and agrees that all financial statements, returns, reports and other information required to be provided to TMI by the Franchisee pursuant to this Article 13 or otherwise pursuant to this Agreement shall be provided to TMI electronically through an electronic mail service provider as directed by TMI. The failure of the Franchisee to report electronically will be a material breach of this Agreement.

ARTICLE 14

TMI'S RIGHT OF FIRST REFUSAL TO PURCHASE

14.1 RESTRICTIONS. The Franchisee will not sell, assign, trade, transfer, lease, sublease, or otherwise dispose of any interest in or any part of the Franchised Business or the Business Assets, as defined in this provision, to a third party without first offering the same to TMI in writing, at the same price and on the same terms as the Franchisee proposes to accept from such third party. For purposes of this Agreement, "Business Assets" shall mean (a) the Franchisee's Business; (b) the lease for the Franchisee's office (if applicable); (c) the land and building for the Franchisee's office (if applicable); (d) this Agreement; and (e) the vehicles, supplies and equipment used in the Business, except for transactions involving the sale of the items listed in this Article 14.1 to the extent such sales occur in the normal course of business. The Franchisee's written offer to TMI must contain all material terms and conditions of the proposed sale or transfer, including but not limited to the name, address, business experience and financial condition of the proposed third-party transferee. Upon receipt by TMI of written notice specifying such material terms and conditions of the proposed sale or transfer, TMI will have the right (but not the obligation), exercisable by written notice to the Franchisee within 15 business days thereafter, to (1) accept such offer, (2) waive its right of first refusal to purchase, or (3) state an interest in negotiating to purchase the Business Assets. If TMI elects to commence negotiations to purchase the Franchisee's Business Assets as set forth herein, the Franchisee may not sell the Business Assets to such third party for at least 30 days or until TMI and the Franchisee agree in writing that the negotiations have terminated, whichever comes first. If TMI waives its right to purchase, the Franchisee shall have the right to complete the sale or transfer of the Business Assets according to the terms set forth in the written notice to TMI; however, any such sale, transfer or assignment to such third party is expressly subject to the terms and conditions set forth in Article 15 below and any material variation in the terms of the sale from those set forth in the original notice to TMI, including but not limited to a change to the identity of such third party, shall constitute a new offer to purchase that shall be submitted to TMI in the manner provided above. If TMI elects to accept the offer from the Franchisee, the sale shall be consummated in accordance with the terms and conditions of the offer. The Franchisee's obligations under this Agreement including, but not limited to, its obligations to pay the Continuing License Fees and to operate the Business Assets as a The Maids® Business shall not be affected or changed because of TMI's non-acceptance of the Franchisee's written offer.

14.2 SALE OF OWNERSHIP INTEREST IN FRANCHISEE. If the Franchisee is a corporation, limited liability company, partnership or other entity, then the capital shares, membership interests, partnership interests or other ownership interests in the Franchisee ("Ownership Interests"), may not be sold, pledged, assigned, traded, transferred or otherwise disposed of by the holders thereof until the Ownership Interests have been first offered to TMI in writing under the same terms and conditions as if Business Assets were proposed to be sold under Article 14.1 above. Notwithstanding the terms of this Article 14, a holder of the Ownership Interests may bequeath, sell, assign, trade or transfer Ownership Interests, without first offering them to TMI, (a) to the other holders of the Ownership Interests because of death or permanent disability, (b) to a spouse or child of the holder, or (c) to a trust controlled by the holder; provided, however, the Franchisee must provide TMI with written notice of all such transactions, the Franchisee and the transferee must comply with the provisions of Articles 15.4(B) through 15.4(H) below, the transferee signs a personal guarantee, and the transfer will not be valid or effective until TMI has received the properly executed legal documents which its attorneys deem necessary to properly and legally

document the transfer, assignment or bequest. All certificates representing Ownership Interests issued by the Franchisee to its owners must bear the following legend:

The ownership interests represented by this certificate are subject to a written Franchise Agreement which grants THE MAIDS INTERNATIONAL, LLC the right of first refusal to purchase these interests from the holder. Any person acquiring the ownership interests represented by this certificate will be subject to the terms and conditions of the Franchise Agreement between the company named on this certificate and The Maids International, LLC, which includes provisions containing covenants not to compete, that apply to all holders of ownership interests in the company.

14.3 ACKNOWLEDGMENT OF RESTRICTIONS. The Franchisee acknowledges and agrees that the restrictions imposed by TMI on the transfer of the Business Assets and the Ownership Interests are reasonable and necessary to protect the goodwill associated with the System and the Marks, as well as TMI's reputation and image, and are for the protection of TMI, the Franchisee and all other franchisees that operate The Maids® Businesses. Any assignment or transfer of the Business Assets or the Ownership Interests permitted by this Article 14 will not be effective until TMI receives fully executed copies of all documents relating to the assignment or transfer, and TMI has consented in writing to the assignment or transfer.

14.4 SELLING HOLDERS SUBJECT TO COVENANT NOT TO COMPETE. Any holder of Ownership Interests in the Franchisee that sells, assigns, trades, bequeaths, transfers or disposes of any Ownership Interests in the Franchisee will be subject to the provisions of Article 19.3 of this Agreement after the sale or assignment.

14.5 TMI'S RIGHT TO PURCHASE FRANCHISEE'S ASSETS. If this Agreement expires or is terminated by ~~either TMI or the Franchisee for any reason whatsoever,~~ if the Franchisee wrongfully terminates this Agreement ~~by failing to comply with Article 17 or otherwise,~~ or if the Franchisee at any time ceases to do business within the Designated Market Area as a The Maids® franchisee, then TMI will have the right, but not the obligation, to purchase the Franchised Business, including the then-usable vehicles, supplies, inventory and equipment, and all other assets that are required by TMI for a standard The Maids® Business and owned by the Franchisee in its Business and to acquire any lease or other contract rights of the Franchisee (hereinafter referred to in this provision as the "Franchise Assets"). TMI will not purchase any assets from the Franchisee that are not part of the standard The Maids® Business. Within two business days after this Agreement expires or is terminated by either party, wrongfully terminated by the Franchisee or the Franchisee ceases to do business as a The Maids® Business, the Franchisee agrees to give TMI written notice of the Franchisee's asking price for the Franchise Assets. If the Franchisee fails to give TMI this notice and/or if TMI and the Franchisee cannot agree on the price of the Franchise Assets, then, without considering any value for goodwill associated with the name "The Maids®", the Assets will be valued at book value (cost less depreciation). TMI will have the right, but not the obligation, to purchase any or all of the Franchise Assets from the Franchisee for cash within 20 days after the fair market value of the Franchise Assets has been established and delivered to the parties in writing. Nothing in this provision may be construed to prohibit TMI from enforcing the terms and conditions of this Agreement, including the covenants not to compete contained in Article 19.

ARTICLE 15 ASSIGNMENT

15.1 ASSIGNMENT BY TMI. TMI may assign its interest in this Agreement, directly or indirectly, by merger, assignment, pledge or other means, without the approval or consent of the Franchisee. TMI will give the Franchisee written notice of any such assignment or transfer, and the assignee will be required to fully perform TMI's obligations under this Agreement.

15.2 ASSIGNMENT BY FRANCHISEE TO CONTROLLED ENTITY OR TRUST. In the event the Franchisee is an individual or partnership, this Agreement may be transferred or assigned by the Franchisee, without first offering it to TMI pursuant to Article 14, to a corporation, limited liability company, partnership or other entity which is owned or controlled by the Franchisee, without paying any transfer fee, provided that: (A) the Franchisee and the holders who own a majority (51% or greater) of the voting ownership interests of the assignee entity sign or have signed a personal guaranty in the form contained in this Agreement; (B) the Franchisee furnishes prior written proof to TMI substantiating that the assignee entity will be financially able to perform all of the terms and conditions of this Agreement; ~~and~~ (C) none of the holders of ownership interests in the entity owns, operates, franchises, develops, manages or controls any business that is in any way competitive with or similar to a The Maids® Business-; and (D) Franchisee and its personal guarantors execute TMI's form of assignment and assumption agreement (which will contain a general release of claims). The Franchisee will give TMI 30 days written notice prior to the proposed date of assignment or transfer of this Agreement to an entity owned or controlled by the Franchisee; however, the transfer or assignment of this Agreement will not be valid or effective until Franchisee has satisfied the condition s set forth in this Section and TMI has received the documents its attorneys deem reasonably necessary to properly and legally document the transfer or assignment of this Agreement to the entity as provided for herein.

15.3 ASSIGNMENT BY INDIVIDUAL FRANCHISEE IN EVENT OF DEATH OR PERMANENT DISABILITY. If the Franchisee is an individual, then in the event of the death or permanent disability of the Franchisee, this Agreement may be assigned, transferred or bequeathed by the Franchisee to any designated individual or beneficiary without first offering TMI the right to acquire this Agreement pursuant to Article 14 of this Agreement and without the payment of any transfer fee. However, the assignment of this Agreement to the transferee, assignee or beneficiary of the Franchisee will be subject to the provisions of Articles 15.4(A) through (E) and 15.4(G) and (H), and will not be valid or effective until TMI has received the properly executed legal documents which its attorneys deem necessary to properly and legally document the transfer, assignment or bequest of this Agreement. The transferee will assume the existing Franchise Agreement(s) from the Franchisee for the remaining term(s) of the Franchise Agreement(s). Furthermore, the transferee, assignee or beneficiary must agree to be unconditionally bound by the terms and conditions of this Agreement and to personally guarantee the performance of the Franchisee's obligations under this Agreement.

15.4 APPROVAL OF TRANSFER. Subject to the provisions of Article 15.2 and 15.3, this Agreement, the Business Assets (as defined in Article 14.1), or the Ownership Interest (as defined in Article 14.2) may be sold, assigned or transferred by the Franchisee only with the prior written approval of TMI. TMI will not unreasonably withhold its consent to any sale, assignment or transfer under this Agreement, provided the Franchisee and the transferee comply with the following conditions:

- (A) The Franchisee has complied in all respects with the applicable provisions of Article 14 of this Agreement;
- (B) All of the Franchisee's monetary obligations due to TMI have been paid in full, and the Franchisee is not otherwise in default under this Agreement or any other agreement with TMI;

- (C) The Franchisee or transferor has executed a written agreement, in a form satisfactory to TMI, in which the Franchisee or transferor agrees to observe all applicable provisions of this Agreement, including the provisions with obligations and covenants that continue beyond the expiration or termination of this Agreement which includes the covenants not to compete contained in Article 19 of this Agreement;
- ~~(D)~~ (D) The Franchisee or transferor has executed a general release of claims in favor of TMI.
- ~~(D)~~(E) The transferee is not and does not intend to own, operate or be involved in a business that competes directly or indirectly with a The Maids® Business;
- ~~(E)~~(F) The transferee has demonstrated to TMI's satisfaction that he, she or it meets TMI's standards for new franchisees, including managerial, financial and business standards, possessing a good business reputation and credit rating, possessing the aptitude and ability to operate The Maids® Business in an economic and businesslike manner (as may be evidenced by prior related business experience or otherwise), possessing the required financial wherewithal, and meeting any other conditions TMI may reasonably apply in evaluating the transferee;
- ~~(F)~~(G) The transferee and all parties having a legal or beneficial interest in the transferee, including, if applicable, the holders of all Ownership Interests in the transferee and the transferee's personal guarantors as required by TMI, execute TMI's then-current standard The Maids® franchise agreement, including a personal guarantee, to be effective for the then-current full standard term, and such other ancillary agreements as TMI may require for the transfer of the Franchised Business; provided that the transferee will not be required to pay any Initial ~~Territory~~Franchise Fee;
- ~~(G)~~(H) Before the transferee takes over the Franchisee's operations, (i) the transferee and the transferee's Manager must successfully complete the SMART Start Training program prescribed by TMI, (ii) the transferee must provide evidence satisfactory to TMI that at least two employees of the transferee have successfully completed the TMI SMART Start Training program and that one of whom has completed the program within the five-year period immediately preceding the transfer, and (iii) the transferee must pay the wages, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance, travel costs, lodging, food, automobile rental, and all other expenses for the transferee and all other persons sent to TMI's SMART Start Training program; and
- ~~(H)~~(I) The Franchisee or transferor, or the Franchisee's or transferor's personal representative if the Franchisee or transferor is deceased, and the holders of the Ownership Interests, as defined in Article 14.2 above, in the Franchisee have executed a general release, in a form prescribed by TMI, of any and all claims, known and unknown, against TMI and its shareholders, officers, directors, agents, attorneys, accountants, employees, affiliates, successors and assigns, excepting only (if required by applicable law) those claims solely related to the offer and sale of the new Franchise.

TMI may expand upon, and provide details related to, the conditions for transfer and TMI's consent as described in this Section 15.4, and may do so in the Manual or otherwise in writing.

15.5 TRANSFER TO COMPETITOR PROHIBITED. The Franchisee will not sell, assign or transfer this Agreement to any person, partnership, corporation or entity that owns, operates, franchises, develops, consults with, manages, is involved in, or controls any business that is involved or engaged in any fashion in the home services, cleaning or maintenance of the interior or exterior of any residential or commercial structure or facility that is in any way competitive with a The Maids® Business either in the United States or in another country. If TMI refuses to permit a transfer of this Agreement under this Article 15.5, the Franchisee's only remedy will be to have a court of competent jurisdiction determine whether the proposed transferee is a competitor of TMI.

15.6 ACKNOWLEDGMENT OF RESTRICTIONS. The Franchisee acknowledges and agrees that the restrictions imposed by TMI pursuant to this Article 15 are reasonable and necessary to protect the goodwill associated with the System and the Marks, as well as TMI's reputation and image, and are for the protection of TMI, the Franchisee and all other franchisees that operate The Maids® Businesses. Any assignment or transfer permitted by this Article 15 will not be effective until TMI receives fully executed copies of all documents relating to the assignment or transfer, and TMI has consented in writing to the assignment or transfer.

15.7 TRANSFER FEE. If, pursuant to the terms of this Article 15, this Agreement or the Business Assets are assigned, transferred or sold to another person or entity, or if the holders of Ownership Interests in the Franchisee representing more than 10% of the voting power in the Franchisee transfer their interests in the Franchisee to a third party (other than as permitted under Articles 15.2 and 15.3 above), then the Franchisee will pay TMI a transfer fee of \$15,000, which will help defray the costs incurred by TMI for training, attorneys' fees, accountants' fees, out-of-pocket expenses, long distance telephone calls, administrative costs and the time of its employees and officers. If, however, the Franchisee assigns, transfers, or sells its interest to an existing The Maids® franchisee pursuant to this Article 15, then the transfer fee is waived. The transfer fee must be paid by the Franchisee to TMI prior to the date of transfer.

ARTICLE 16 TMI'S TERMINATION RIGHTS; DAMAGES

~~16.1 — CONDITIONS OF BREACH. In addition to its other rights of termination contained in this Agreement, TMI'S RIGHT TO TERMINATE. TMI will have the right to may terminate this Agreement if:~~

- ~~(A) — the as set forth in this Article 16, and Franchisee fails to open and commence operations of its Business within 30 days from the date the Franchisee successfully completes the SMART Start Training program or the Franchisee does not successfully complete the SMART Start Training program within 180 days from the date of this Agreement;~~
- ~~(B) — the Franchisee violates any material provision, term or condition of this Agreement or any other agreement between the Franchisee agrees and TMI or an affiliate of TMI, including, but not limited to, acknowledges that the defaults, or failure to timely pay any Continuing License Fees or any other monetary obligations or fees due to TMI or its affiliates;~~

~~16.2 16.1 the Franchisee or any of its Managers, partners, directors, officers or majority stockholders are convicted of, or plead guilty to or no-contest to, a charge of violating any law relating cure~~

such defaults within the appropriate time period prescribed below (if any) shall constitute “good cause” and “reasonable cause” for termination under any state franchise laws or regulations that might apply to the Franchised Business, or any felony;

- ~~(A) — the Franchisee fails to conform to the System or the standards of uniformity and quality for the products and services promulgated by TMI in connection with the System;~~
- ~~(B) — the Franchisee fails to timely pay any of its uncontested obligations or liabilities due and owing to its employees, suppliers, banks, purveyors and other creditors, or TMI;~~
- ~~(C) — the Franchisee or its Personal Guarantors are determined to be insolvent within the meaning of any state or federal law, any involuntary petition for bankruptcy is filed against the Franchisee or its Personal Guarantors (and is not dismissed by the court within 60 days of the filing), or the Franchisee or its Personal Guarantors file for bankruptcy under any state or federal law;~~
- ~~(D) — the Franchisee makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors;~~
- ~~(E) — any check issued by the Franchisee is dishonored because of insufficient funds (except where the check is dishonored because of an error in bookkeeping or accounting) or closed accounts;~~
- ~~(F) — the Franchisee fails to pay for the vehicles, supplies and equipment required for its Franchised Business prior to commencing business;~~
- ~~(G)(A) — the Franchisee voluntarily or otherwise “abandons” the Franchised Business. For purposes of this Agreement “abandon” means the conduct of the Franchisee, including acts of omission as well as commission, indicating the willingness, desire or intent of the Franchisee to discontinue operating the Franchised Business in accordance with the quality standards, uniformity requirements and the System as set forth in this Agreement and the Manuals;~~
- ~~(H) — the Franchisee is involved in any act or conduct which materially impairs the goodwill associated with the name “The Maids®”, any other Marks or the System;~~
- ~~(I) — the Franchisee fails to file any required federal, state or other income or sales tax return or fails to timely pay any federal, state or other income or sales taxes when due; or~~
- ~~(J) — the Franchisee commits three violations of the material provisions, terms or conditions of this Agreement within any 24 month period during its term, regardless of whether such violations have been cured.~~

16.3 — NOTICE OF BREACH. ~~Except as set forth in Articles 16.5 and 16.6 below, TMI will not have the right to terminate this Agreement unless and until:~~

- (A) ~~written notice setting forth the alleged breach in detail has been given to the Franchisee by TMI; and~~
- (B) ~~the Franchisee fails to correct the alleged breach within the period of time specified by applicable law.~~

~~If applicable law does not specify a time period to correct an alleged breach, then the Franchisee will have 30 days after the date of the written notice to correct the alleged breach, except where the written notice states that the Franchisee is delinquent in the payment of any fees or other payments payable to TMI pursuant to this Agreement, in which case the Franchisee will have 15 days after the date of the written notice to correct the breach by making full payment (including interest as provided herein) to TMI. If the Franchisee fails to correct the alleged breach set forth in the written notice within the applicable period of time, then this Agreement may be terminated by TMI as provided in this Agreement. For the purposes of this Agreement, an alleged breach of this Agreement by the Franchisee will be "corrected" if both TMI and the Franchisee agree in writing that the alleged breach has been corrected.~~

~~**16.41.1 LITIGATION.** If the Franchisee files a lawsuit within the time period established in Article 16.2 for correcting the alleged breach, then TMI will not have the right to terminate this Agreement until the facts of the alleged breach have been submitted to a court of competent jurisdiction and the court determines that the Franchisee has breached this Agreement and the Franchisee fails to correct the breach within the applicable time period. If the court determines that the Franchisee has violated or breached this Agreement as alleged by TMI in the written notice given to the Franchisee, then, unless applicable law specifies otherwise, the Franchisee will have 30 days from the date the court issues a written determination on the matter to correct the specified breach or violation of this Agreement, except where the Franchisee's breach is for failure to pay any fees or other payments to TMI, in which case the Franchisee will have 15 days to make full payment (including interest) to TMI. If the Franchisee timely corrects the specified breach or violation of this Agreement, then this Agreement will remain in full force and effect. The time limitations set forth in this Article 16.3 within which the Franchisee may commence litigation of a dispute or controversy relating to the right of TMI to terminate this Agreement for an alleged breach will be mandatory. If the Franchisee fails to comply with the time limitations set forth in this Article 16.3, then TMI may terminate this Agreement as provided for herein.~~

~~**16.5 NOTICE OF TERMINATION.** If TMI has complied with the provisions of this Article 16 and if the Franchisee has not corrected the alleged breach set forth in the written notice within the time period specified in this Agreement, then TMI will have the absolute right to terminate this Agreement by giving the Franchisee written notice that this Agreement is terminated and in that event, the effective date of termination of this Agreement will be the day the written notice of termination is given, as specified in Article 26.~~

~~**16.616.2 TMI'S IMMEDIATE TERMINATION RIGHTS.** TMI will have the absolute right and privilege, unless precluded by applicable law, to immediately terminate this Agreement if without affording Franchisee any opportunity to cure, effective on notice to Franchisee, upon the occurrence of any of the following:~~

- (A) the Franchisee or any of its Managers, partners, directors, officers or majority shareholders are convicted of, or plead guilty to or no contest to a charge of violating any law relating to the Franchised Business, or any felony;
- (B) the Franchisee or its Personal Guarantors are determined to be insolvent within the meaning of any state or federal law, any involuntary petition for bankruptcy is filed against the Franchisee or its Personal Guarantors (and is not dismissed by the court

within 60 days of the filing), or the Franchisee or its Personal Guarantors file for bankruptcy under any state or federal law;

- (C) the Franchisee makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors;

~~(D) the Franchisee voluntarily or otherwise abandons the Franchised Business;~~

~~(D) . For purposes of this Agreement “abandon” means the conduct of the Franchisee, including acts of omission as well as commission, indicating the willingness, desire or intent of the Franchisee to discontinue operating the Franchised Business in accordance with the quality standards, uniformity requirements and the System as set forth in this Agreement and the Manuals;~~

- (E) the Franchisee fails or refuses to permit TMI or its authorized agent to audit or review the Franchisee’s financial records or fails or refuses to produce its financial records for audit or review in accordance with Article 13.6;

- (F) the Franchisee fails to allow or provide to TMI electronic access to the Franchisee’s data or information as required under Article 11.24 above; ~~or~~

- (G) the Franchisee is involved in any act or conduct which materially impairs the goodwill associated with TMI’s Marks or the System and the Franchisee fails to correct the breach within 24 hours of written notice from TMI of the breach. For the purposes of this Agreement, an alleged breach of this Agreement by the Franchisee will be “corrected” if both TMI and the Franchisee agree in writing that the alleged breach has been corrected;

~~(H) the Franchisee fails to procure and/or maintain any insurance policy required under this Agreement with an insurance companies acceptable to, and approved by, TMI at the required minimum coverage limits for operation of the Franchised Business and/or fails to submit to Franchisor certificates of insurance evidencing the insurance requirements;~~

~~(I) the Franchisee commits three violations of the material provisions, terms or conditions of this Agreement within any 24-month period during its term, regardless of whether such violations have been cured;~~

~~(J) the Franchisee or any guarantor: (i) commits an incurable default or breach of any Related Party Agreement, and/or (ii) commits a default or breach of any Related Agreement and fails to cure such breach before the expiration of all applicable notice and cure periods under such Related Agreement. For purposes of this provision, the term “Related Agreement” means any other agreement by and between Franchisee (and/or any of its affiliates), on the one hand, and TMI (and/or any of TMI’s affiliates or designated suppliers), on the other hand.~~

16.3 TERMINATION UPON NOTICE AND OPPORTUNITY TO CURE. In addition to its immediate termination rights pursuant to 16.2 above, TMI has the right to terminate this Agreement upon written notice to Franchisee in the event: (i) Franchisee breaches or violates any covenant, obligation, term, condition, warranty, or certification under this Agreement (other than those specified in Section 16.2 above, which allow for immediate termination without opportunity to cure); and (ii) Franchisee fails to cure

such breach or violation within: (a) fifteen (15) days of the date Franchisee is provided with written notice thereof by TMI if the breach or violation is monetary in nature, including, without limitation, for the failure to pay any fee or amount due and owing to TMI and/or any of its affiliates pursuant to this Agreement, or (b) thirty (30) days of the date Franchisee is provided with notice thereof by TMI for all other breaches or violations.

~~16.7~~**16.4 NOTICE OF TERMINATION. NOTICE OF IMMEDIATE TERMINATION.** If this Agreement is terminated by TMI pursuant to Article 16.5 If this Agreement is terminated by TMI pursuant to Section 16.2 or 16.3 above, then TMI will give the Franchisee written notice that this Agreement is terminated and in that event, the effective date of termination of this Agreement will be the day the written notice of termination is given, ~~as specified in Article 26.~~

~~16.8~~**16.5 ALTERNATIVE REMEDY.** If after the first 12 months of operation, the Franchisee fails to achieve weekly Gross Revenues which would result in a Continuing License Fees calculation equal to or less than the weekly Minimum Continuing License Fees for more than 6 different weeks in any 12-month period, TMI has the right, but is not required to: (i) modify or reduce the size of the Franchise Territories; or (ii) terminate this Agreement upon written notice to the Franchisee without an opportunity to cure. This remedy is in addition to all other rights and remedies under this Agreement and applicable law.

~~16.9~~ **DAMAGES.** In the event this Agreement is terminated by TMI pursuant to this Article 16, or if the Franchisee breaches this Agreement by a wrongful termination or a termination that is not in accordance with the terms and conditions of Article 17 of this Agreement, then TMI will be entitled to seek recovery from the Franchisee for all damages that TMI has sustained and will sustain in the future as a result of the Franchisee's breach of this Agreement, taking into consideration the Continuing License Fees that would have been payable by the Franchisee for the remaining term of this Agreement.

~~16.10~~**16.6 OTHER REMEDIES.** Nothing in this Article 16 will preclude TMI from seeking other remedies or damages under state or federal laws, common law, or under this Agreement against the Franchisee including, but not limited to, attorneys' fees, punitive damages and injunctive relief.

~~16.9~~ **APPLICABLE LAW.** If the provisions of this Article 16 are inconsistent with applicable law, the applicable law will apply.

ARTICLE 17 FRANCHISEE'S TERMINATION RIGHTS

~~17.1~~ **CONDITIONS OF BREACH.** The Franchisee will have the right and privilege to terminate this Agreement, as provided herein, if: (A) TMI violates any material provision, term or condition of this Agreement; or (B) TMI fails to timely pay any material uncontested obligations due and owing to the Franchisee.

~~17.2~~ **NOTICE OF BREACH.** The Franchisee will not have the right to terminate this Agreement or to commence any action or lawsuit against TMI for breach of this Agreement, injunctive relief, violation of any state, federal or local law (including alleged violations of franchise laws), violation of common law (including allegations of fraud and misrepresentation), rescission, general or punitive damages, or termination, unless and until:

- (A) — written notice setting forth the alleged breach or violation, in detail, has been given to TMI by the Franchisee; and

~~(B) — TMI fails to correct the alleged breach or violation within 60 days after the date of the written notice.~~

~~If TMI fails to correct the alleged breach or violation, as provided for herein, within 60 days after written notice of the alleged breach, then this Agreement may be terminated by the Franchisee as provided for in this Agreement. For the purposes of this Agreement, an alleged breach or violation of this Agreement by TMI will be “corrected” if both TMI and the Franchisee agree in writing that the alleged breach or violation has been corrected.~~

~~**17.3 — LITIGATION.** If TMI files a lawsuit within 60 days after the date TMI is given written notice of any alleged breach of this Agreement by the Franchisee, then the Franchisee will not have the right to terminate this Agreement until the facts of the alleged breach have been submitted to a court of competent jurisdiction, the court determines that TMI has breached this Agreement and TMI fails to correct the breach within the applicable time period. If the court determines that TMI has violated or breached this Agreement as alleged by the Franchisee in the written notice given to TMI, then TMI will have 60 days from the date the court issues a written determination on the matter to correct the specified breach or violation of this Agreement. If TMI does timely correct the specified breach or violation of this Agreement, then this Agreement will remain in full force and effect. If TMI does not correct the specified breach or violation of this Agreement, then the Franchisee will have the right to terminate this Agreement by giving TMI written notice that this Agreement is terminated, and in that event the effective date of termination of this Agreement will be the day the written notice of termination is given, as specified in Article 26. The time limitation set forth in this Article 17.3 within which TMI may commence litigation of a dispute or controversy relating to the right of the Franchisee to terminate this Agreement for an alleged breach will be mandatory. If TMI fails to comply with the time limitation set forth in this Article 17.3, the Franchisee may terminate this Agreement as provided for herein.~~

~~**17.4 — WAIVER.** The Franchisee agrees to give TMI immediate written notice of any alleged breach or violation of this Agreement after the Franchisee has knowledge of, believes, determines or is of the opinion that there has been an alleged breach or violation of this Agreement by TMI. If the Franchisee fails to give written notice to TMI of any alleged breach or violation of this Agreement within one year from the date that the Franchisee has knowledge of, believes, determines or is of the opinion that there has been an alleged breach or violation by TMI, then the alleged breach or violation by TMI will be condoned, approved and waived by the Franchisee, the alleged breach or violation by TMI will not be a breach or violation of this Agreement by TMI, and the Franchisee will be barred from commencing any legal action against TMI for that alleged breach or violation.~~

~~**17.5 — INJUNCTIVE RELIEF AVAILABLE TO TMI.** Notwithstanding any of the foregoing provisions, if the Franchisee gives TMI any notice of an alleged breach or violation of this Agreement or of any laws that give rise to damages and/or the termination of this Agreement by the Franchisee, then TMI will have the absolute right to immediately commence legal action against the Franchisee to enjoin and prevent the termination of this Agreement by the Franchisee until the matter has been resolved in court, all without giving the Franchisee any notice and without regard to any waiting period that may be contained in this Agreement. If TMI commences such legal action against the Franchisee, then the Franchisee will not have the right to terminate this Agreement, as provided for herein, unless and until a court of competent jurisdiction has ruled on the merits that TMI has breached this Agreement in the manner alleged by the Franchisee, and then only if TMI fails to correct the breach or violation within 60 days after a final judgment has been entered against TMI and all time for appeals by TMI has expired. If TMI commences any legal action against the Franchisee as contemplated by this provision, which will include legal actions for injunctive relief against the Franchisee to enjoin termination of this Agreement, then TMI will not be required to post any bonds or security whatsoever in such legal action.~~

~~ARTICLE 18~~**ARTICLE 17**
**EFFECT OF
TERMINATION OR EXPIRATION**

~~18.1~~17.1 FRANCHISEE'S INTEREST; GOODWILL. Upon termination, expiration or non-renewal of this Agreement, Franchisee's interest in this Agreement and all rights licensed hereunder automatically reverts to TMI. All goodwill associated with the licensed Marks shall at all times remain the exclusive property of TMI.

~~18.2~~17.2 PAYMENT OF AMOUNTS OWED TMI. Franchisee agrees to pay TMI, within five days of the effective date of termination or expiration of this Agreement, or at any later date that amounts due to TMI are determined:

- (A) all Continuing License Fees, ~~Advertising~~Marketing Fund Fees, Technology Innovation Fund Fees, Software and Support Fees, amounts owed for purchases from TMI, late payments, interest, and any all other fees and amounts Franchisee owes to TMI;
- (B) upon termination for any default, the actual and consequential damages, costs, and expenses (including attorneys' fees, experts' fees, and interest on such costs and expenses) incurred by TMI as a result of Franchisee's default.

The obligation to pay these sums will create a lien in favor of TMI and against any and all of the personal property, furnishings, equipment, signs, fixtures, and inventory Franchisee owns at the time of the default and/or against any moneys TMI holds or are otherwise in TMI's possession.

~~18.3~~17.3 TERMINATION OF USE OF MARKS; OTHER OBLIGATIONS. Upon termination, expiration or non-renewal of this Agreement Franchisee shall:

- (A) strictly comply with all the provisions of this Agreement including, but not limited to, the Covenants Not to Compete set forth in Article ~~19~~18;
- (B) deliver to TMI, within five days of the effective date of termination or expiration of this Agreement, all Manuals, proprietary information, confidential material, marketing and advertising materials, the required software, videotapes, and any other written materials containing any Mark or otherwise relating to a The Maids® Business;
- (C) alter, at its own expense, the appearance of the Franchisee's business location to eliminate any similarity in appearance, signage or décor to the distinctive appearance of a The Maids® Business, unless TMI exercises its rights under Article 14 of this Agreement. Franchisee agrees to allow TMI, without liability to Franchisee or third parties, to remove these items from Franchisee's business location;
- (D) alter, at its own expense, the appearance of the automobiles used in the operation of the Franchised Business to eliminate any similarity in appearance, signage or décor to the distinctive appearance of automobiles used in the operation of a The

Maids® Business, unless TMI exercises its rights under Article 14 of this Agreement;

- (E) inform its suppliers in writing of the termination of the Franchisee's right to operate a franchised The Maids® Business;
- (F) not hold itself out, either directly or indirectly, to the public or any other business as a present or former The Maids® franchise;
- (G) not represent directly or indirectly that any other business Franchisee may then own or operate, is or was operated as, or was in any way connected to TMI;
- (H) cease using The Maids® uniforms, office signs and decor, and vehicle colors and decals;
- (I) cease using any of TMI's distinctive, proprietary or confidential operational, administrative or advertising techniques, systems or know-how, or trade secrets disclosed to Franchisee by TMI;
- (J) cease use of all of TMI's Marks, any materials containing the Marks, and any other confusingly similar name or marks. The Franchisee agrees and acknowledges that its continued use of the Marks after the expiration or termination of this Agreement will be without TMI's consent and will constitute an "exceptional case" under federal trademark law (15 U.S.C. § 1117) entitling TMI to recover treble damages, costs and attorneys' fees;
- (K) Assign to TMI and/or TMI's designee customer contracts and assist TMI and/or TMI's designee in the transition of customers' cleaning service(s) to TMI or TMI's designee, if applicable.
- (L) refund any and all outstanding gift certificates that current, former or prospective customers are in possession of;
- (M) return to customers all related keys in Franchisee's possession or to TMI or TMI's designee, if applicable;
- (N) refrain from engaging in any contacts with customers or former customers of the Franchised Business, other than with respect to collection of accounts receivable, the transition of customers to TMI's designee, and/or return of customer keys to the related customer;
- (O) notify the telephone company and telephone directory publisher of the termination or expiration of Franchisee's right to use any telephone, facsimile or other numbers and any telephone directory listings associated with the any Mark, and authorize the transfer of these numbers and directory listings to TMI or, at TMI's discretion, instruct the telephone company to forward all calls made to Franchisee's telephone numbers to numbers TMI specifies in accordance with the Telephone Listing Agreement; and
- (P) deliver to TMI, within 30 days, evidence that is satisfactory to TMI of Franchisee's compliance with each of the foregoing obligations.

18.417.4 TRANSFER OF TELEPHONE DIRECTORY LISTINGS. Upon termination or expiration of this Agreement, TMI will have the absolute right to notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use all telephone numbers and all classified and other directory listings under the "The Maids®" name and to authorize the telephone company and all listing agencies to transfer to TMI or its assignee all telephone numbers and directory listings for the Franchised Business. The Franchisee acknowledges that TMI has the absolute right and interest in and to all telephone numbers and directory listings associated with the Marks, and the Franchisee hereby authorizes TMI to direct the telephone company and all listing agencies to transfer the Franchisee's telephone numbers and directory listings to TMI or TMI's assignee if this Agreement expires or is terminated for any reason whatsoever. The telephone company and all listing agencies will have the right to accept this Agreement as evidence of the exclusive rights of TMI to such telephone numbers and directory listings and this Agreement will constitute the authority from the Franchisee for the telephone company and listing agency to transfer all such telephone numbers and directory listings to TMI. Upon termination or expiration of this Agreement, the Franchisee agrees to execute such other documents as is required by the telephone company and listing agency as may be necessary or desirable in connection with the transfer of all telephone numbers and directory listings for the Franchisee's The Maids® Business. The Franchisee will not make any claims or commence any action against the telephone company and the listing agencies for complying with this provision.

18.517.5 TRANSFER OF DOMAIN NAME REGISTRATIONS AND E-MAIL ADDRESSES. Upon termination or expiration of this Agreement, TMI will have the absolute right to notify the domain name registry and internet service provider of the termination or expiration of Franchisee's right to use all domain name registrations and e-mail addresses associated with the Franchised Business and to authorize the domain name registry and internet service provider to transfer to TMI or its assignee all such domain name registrations and e-mail addresses. The Franchisee acknowledges that TMI has the absolute right and interest in and to all websites, domain name registrations and e-mail addresses associated with the Marks, and the Franchisee hereby authorizes TMI to direct the domain name registry and internet service provider to transfer the Franchisee's domain name registrations and e-mail addresses to TMI or its assignees if this Agreement expires or is terminated for any reason whatsoever. The domain name registry and internet service provider will have the right to accept this Agreement as evidence of the exclusive right of TMI to such websites, domain name registrations and e-mail addresses and this Agreement will constitute the authority from the Franchisee for the domain name registry and internet service provider to transfer such domain name registrations and e-mail addresses to TMI. Upon termination or expiration of this Agreement, the Franchisee agrees to execute such other documents as is required by the domain name registry and internet service provider as may be necessary or desirable in connection with the transfer of all domain name registrations and e-mail addresses for the Franchised Business. The Franchisee will not make any claims or commence any action against the domain name registry or the internet service provider for complying with this provision. The Franchisee further agrees not to utilize any "meta tags" and/or other hidden programming which would adversely affect such websites in the event registration of the domain name registrations and e-mail addresses are assigned to TMI.

17.6 LIQUIDATED DAMAGES. The parties agree that, if this Agreement is terminated by TMI as a result of Franchisee's breach of this Agreement, it would be impossible to calculate with reasonable precision the losses that would be incurred by TMI because of the unpredictability of future business conditions, the impact on TMI's reputation from having a closed Franchised Business location, the ability of TMI to replace the Franchised Business in the same market, and other factors. Accordingly, if this Agreement is terminated as a result of any breach by Franchisee, Franchisee shall pay to TMI as liquidated damages and not as a penalty, the Liquidated Damages. The "Liquidated Damages" shall be an amount equal to the Franchised Business' combined weekly average Gross Revenue for the preceding 12-month period prior to termination, multiplied by the number of weeks remaining in the Franchisee

Agreement, multiplied by each of (a) Continuing License Fees at the rate of 6.9%, (b) Technology Innovation Fund Fee at the rate of 0.25%, and (c) Advertising Fund Fee at the rate of 2%.

18.617.7 CONTINUING OBLIGATIONS. All of TMI's and Franchisee's obligations which expressly or by their nature survive the termination or expiration of this Agreement, will continue in full force and effect following and notwithstanding this Agreement's expiration or termination until the obligations are fully satisfied or by their nature expire.

ARTICLE 19~~ARTICLE 18~~ FRANCHISEE'S COVENANTS NOT TO COMPETE

19.118.1 CONSIDERATION. The Franchisee, the holders of all Ownership Interests in the Franchisee and the Personal Guarantors acknowledge that, pursuant to this Agreement, the Franchisee, its owners and its employees will receive specialized training, current and future marketing and advertising plans, business plans and strategies, "know-how," business information, concepts, confidential information and trade secrets from TMI pertaining to the System and the operation of The Maids® Business. In consideration for the use and license of such valuable and confidential information, the Franchisee, the holders of all Ownership Interests in the Franchisee and the Personal Guarantors will comply in all respects with the provisions of this Article ~~19~~18. For purposes of this Agreement, "Personal Guarantors" means any persons executing the Personal Guaranty and Agreement to be Bound Personally by the Terms and Conditions of the Franchise Agreement, attached to this Agreement, which would include all holders of Ownership Interests of any entity which is the Franchisee, any spouse of any individual that is the Franchisee, and any other individual guaranteeing the obligations of the Franchisee under this Agreement.

19.218.2 IN-TERM COVENANT NOT TO COMPETE. TMI has advised the Franchisee that this provision is a material provision of this Agreement, and that TMI will not sell a The Maids® franchise to any person or entity that does or intends to own, operate or be involved in a business that competes directly or indirectly with a The Maids® Business. Consequently, the Franchisee, the holders of all Ownership Interests in the Franchisee and the Personal Guarantors will not, during the term of this Agreement, on their own account or as an employee, agent, consultant, partner, officer, director, member or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in, or assist any person or entity engaged in any business that is in any way competitive with (including, but not limited to, over the Internet) or similar to The Maids® Business, except with the prior written consent of TMI. For purposes of this Article ~~19~~18 and the other Articles of this Agreement, any business that is involved or engaged in any fashion in the home services, cleaning or maintenance of the interior or exterior of any residential or commercial structure or facility is competitive to a The Maids® Business.

19.318.3 POST-TERM COVENANT NOT TO COMPETE. The Franchisee, the holders of all Ownership Interests in the Franchisee and the Personal Guarantors will not, for a period of 18 months after the termination or expiration of this Agreement, on their own account or as an employee, agent, consultant, partner, officer, director, member or shareholder of any other person, firm, entity, partnership or corporation, without first obtaining the prior written consent of TMI,

- (A) own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any or other related business that is in any way competitive with (including, but not limited to, over the Internet) or similar to The Maids® Business or a facet thereof, which is located (i) within the Designated Market Area, (ii) within the territories of any other The Maids® Businesses operated by TMI or any of its franchisees, (iii) within any development area granted to any other person or entity by TMI pursuant to a development

agreement, sub-franchise agreement or other agreement, (iv) within 20 miles of any of the areas described in (i), (ii) or (iii) above, or (v) over the Internet; or

- (B) divert or attempt to divert any existing or potential business or customers of TMI or any The Maids® Franchisee; or
- (C) solicit or perform maintenance or cleaning services for any customer for whom or which such services was performed by the Franchisee under The Maids® service marks, trademarks and System during the term of this Agreement.

The Franchisee, the holders of all Ownership Interests in the Franchisee and the Personal Guarantors expressly agree that the time, the Internet and the geographical limitations set forth in this provision are reasonable and necessary to protect TMI and TMI's franchisees if this Agreement expires or is terminated by either party for any reason, and that this covenant not to compete is necessary to permit TMI the opportunity to resell and/or develop a new The Maids® Business at or in the area near the Designated Market Area. The Franchisee, the holders of all Ownership Interests in the Franchisee and the Personal Guarantors expressly acknowledge that they would not be in a position to operate a competing business following the termination, expiration or non-renewal of this Agreement without taking advantage of TMI's specialized training, marketing and advertising plans, business plans and strategies, "know-how," business information, concepts, confidential information and trade secrets.

19.418.4 INJUNCTIVE RELIEF. The Franchisee, holders of all Ownership Interests in the Franchisee and the Personal Guarantors agree that the provisions of this Article 1918 are necessary to protect the legitimate business interests of TMI and TMI's franchisees including, without limitation, prevention of the unauthorized dissemination of confidential information to competitors of TMI and TMI's franchisees, protection of TMI's trade secrets and the integrity of TMI's franchise system, and prevention of the duplication of the System by unauthorized third parties. The Franchisee, holders of all Ownership Interests in the Franchisee and the Personal Guarantors also agree that damages alone cannot adequately compensate TMI if there is a violation of this Article 1918 by the Franchisee, holders of all Ownership Interests in the Franchisee or the Personal Guarantors, and that injunctive relief against the Franchisee, holders of all Ownership Interests in the Franchisee and the Personal Guarantors is essential for the protection of TMI and TMI's franchisees. The Franchisee, holders of all Ownership Interests in the Franchisee and the Personal Guarantors agree therefore, that if TMI alleges that the Franchisee, holders of all Ownership Interests in the Franchisee or the Personal Guarantors have breached or violated this Article 1918, then TMI will have the right to petition a court of competent jurisdiction for injunctive relief against the Franchisee, holders of all Ownership Interests in the Franchisee and the Personal Guarantors, in addition to all other remedies that may be available to TMI. TMI will not be required to post a bond or other security for any injunctive proceeding. In cases where TMI is granted ex parte injunctive relief against the Franchisee, holders of all Ownership Interests in the Franchisee or the Personal Guarantors, then the Franchisee, holders of all Ownership Interests in the Franchisee or the Personal Guarantors will have the right to petition the court for a hearing on the merits at the earliest time convenient to the court.

19.518.5 SEVERABILITY. It is the desire and intent of the parties to this Agreement, including holders of all Ownership Interests in the Franchisee and the Personal Guarantors, that the provisions of this Article 1918 be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Article 1918 is adjudicated to be invalid or unenforceable, then this Article 1918 will be deemed amended to modify or delete that portion thus adjudicated to be invalid or unenforceable, such modification or deletion to apply only with respect to the operation of this Article 1918 in the particular jurisdiction in which the adjudication is made. Further, to the extent any provision of this Article 1918 is deemed unenforceable by virtue of its scope or limitation, the parties to this Agreement, including holders of all Ownership Interests in Franchisee and the Personal

Guarantors, agree that the scope and limitation provisions will, nevertheless, be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought.

19.618.6 EXTENSION DURING BREACH OR NEGOTIATIONS. The Franchisee, holders of all Ownership Interests in the Franchisee and the Personal Guarantors acknowledge and agree that the 18-month period expressed in Article ~~19~~18.3 above shall be extended to include the time during which the Franchisee, holders of all Ownership Interests in the Franchisee or the Personal Guarantors are (a) in breach of any of the provisions of Article ~~19~~18.3 of this Agreement or (b) are involved in ongoing negotiations for the reacquisition of the Franchise for the Designated Market Area after the expiration of this Agreement.

ARTICLE 20 **INDEPENDENT CONTRACTORS**

20.1 — RELATIONSHIP OF PARTIES. ~~TMI and the Franchisee are each independent contractors and, as a consequence, there is no employer-employee or principal-agent relationship between TMI and the Franchisee. The Franchisee will not have the right to and will not make any agreements, representations or warranties in the name of or on behalf of TMI or represent that their relationship is other than that of franchisor and franchisee. Neither TMI nor the Franchisee will be obligated by or have any liability to the other under any agreements or representations made by the other to any third parties. The Franchisee will take all reasonable steps necessary to inform the public, customers, suppliers, lenders and other business establishments that the Franchised Business is independently operated by the Franchisee pursuant to a Franchise from TMI.~~

ARTICLE 19 **INDEPENDENT CONTRACTORS**

19.1 RELATIONSHIP OF PARTIES. TMI and the Franchisee are each independent contractors and, as a consequence, there is no employer-employee, fiduciary or principal-agent relationship between TMI and the Franchisee. Franchisee shall conspicuously identify itself in all public records and all dealings with the public as a sole operator that is an entity separate from TMI and state that TMI has no liability for the Franchised Business. This shall include, but not be limited to, all agreements between Franchisee and its customers, clients and employees. It is expressly agreed that the parties intend by this Agreement to establish between TMI and Franchisee the independent contractor relationship of a franchisor and franchisee. The Franchisee will not have the right or authority to create or assume in TMI's name or on behalf of TMI, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of TMI for any purpose whatsoever. Franchisee agrees that it will not hold itself out as the agent, employee, partner or co-venturer of TMI. All employees hired by or working for Franchisee shall be the employees of Franchisee and shall not, for any purpose, be deemed employees of TMI or subject to TMI's control. Franchisee agrees to clearly inform each of its employees and contractors that Franchisee is the sole employer or contractual party, respectively. Franchisee agrees to explain to its employees and contractors the respective roles of a franchisor and franchisee and the relationship as franchisor and franchisee, and Franchisee will request that its employees and contractors sign any acknowledgment or disclosure explaining the differences between TMI and Franchisee. Franchisee will post a conspicuous notice that employees are employed by Franchisee and not TMI. Franchisee will use its legal name on all documents for use with employees and contractors, including but not limited to, employment applications, timecards, pay checks, and employment and independent contractor agreements and will not use the Marks on these documents. Franchisee agrees to file its own tax, regulatory and payroll reports with respect to its employees and operations, saving and indemnifying TMI of and from any liability of any nature whatsoever by virtue thereof. Franchisee acknowledges that TMI has no responsibility to ensure that the Franchised Business is developed and operated in compliance with all applicable laws, ordinances, and regulations and

that TMI shall have no liability in the event the development or operation of the Franchised Business violates any law, ordinance, or regulation. Neither party hereto shall be obligated by, nor have any liability for, any agreements, representations or warranties made by the other, nor shall TMI be liable for any damages to any person or property, directly or indirectly, arising out of the operation of Franchisee's Franchised Business, whether caused by Franchisee's negligent or willful action or failure to act.

ARTICLE 21ARTICLE 20 INDEMNIFICATION

21.120.1 INDEMNIFICATION. Neither TMI ~~or~~^{nor} P&G will ~~not~~ be obligated to any person or entity for any damages arising out of, from, in connection with, or as a result of the Franchisee's negligence, the Franchisee's wrongdoing, or the operation of the Franchised Business. Therefore, the Franchisee will ~~indemnify, during the Term and any renewal terms and after the termination or expiration of this Agreement, indemnify, defend and hold TMI, P&G and their respective affiliates harmless against, and will reimburse TMI, P&G, the Franchisor Related Parties, and their respective affiliates for, all damages for which TMI, P&G and their respective affiliates is held liable and for all costs reasonably incurred by TMI in the defense of any claim (collectively, the "Indemnified Parties" or action brought against TMI arising from, in connection with, arising out of, or as a result of the Franchisee's negligence, the Franchisee's wrongdoing, Franchisee's breach of this Agreement, or the operation of the Franchised Business individually, "Indemnified Party") harmless against any loss, liability, taxes, or damages (actual or consequential) and all reasonable costs and expenses (including, without limitation reasonable accountants', attorneys' and expert witness fees, costs of investigation expenses and proof of facts, court costs, deposition other litigation expenses, interest, and travel and living expenses. The Franchisee will indemnify TMI, P&G and their respective affiliates, without limitation, for all claims arising from: (A) any personal injury, property damage, commercial loss) of defending any claim brought against any Indemnified Party or environmental contamination resulting from any act or omission of the Franchisee or its employees, agents or representatives; (B) any failure on the part of the Franchisee to comply with any requirement of action in which any governmental authority; (C) Indemnified Party is named. Such claims or actions shall include, but are not limited to, the following: (a) any failure of claim concerning the Franchisee to pay any of its obligations; or (D) any failure operation of the Franchisee to comply with any requirement or condition Franchised Business; (b) a breach of this Agreement or any other agreement with TMI or between the parties; (c) any injury to, or loss of property of, any person in or on any premises at which Franchisee provides any affiliate of TMI. TMI and P&G will services and/or any premises used by Franchisee to operate the Franchised Business; (d) Franchisee's taxes, liabilities, costs or expenses of its Franchised Business; (e) any negligent or willful act or omission of Franchisee, its officers, directors, managers, members, partners, employees, agents, servants, contractors or others for whom it is, in law, responsible; (f) any violation of any federal, state or local law, rule, ordinance or regulation; (g) any advertising or promotional material distributed, broadcasted or in any way disseminated by Franchisee or on its behalf (unless such material was produced or approved in writing by TMI); (h) any loss of data, including, but not limited to, customer information, resulting from a breach of such data caused in whole or in part by Franchisee or Franchisee's negligence; (i) Franchisee's employment or other contractual relationship with Franchisee's employees, workers, managers and/or independent contractors, including, but not limited to, any allegation, claim, finding or ruling that TMI is an employer or joint employer of Franchisee's employees; (j) Franchisee's failure to pay the monies payable to TMI or any of its affiliates pursuant to this Agreement, or to do or perform any other act, matter or thing required by this Agreement; and (i) any action by TMI to obtain performance by Franchisee of any act, matter, or thing required by this Agreement. Each indemnified Party shall have the right to defend any such claim made against it arising as a result of, in connection with or from at Franchisee's expense and agree to settlements or take any other remedial, corrective or other actions and any such defense shall not be considered a waiver of such party's rights to indemnification. Franchisee shall notify TMI within three days after receiving any notice of any~~

~~allegation, claim, demand or cause of action based upon or arising from the Franchisee's negligence or the operation of the~~ Franchised Business.

21.220.2 ATTORNEYS' FEES AND OTHER COSTS. The Franchisee will pay all attorneys' fees, costs and expenses incurred by TMI in enforcing any term, condition or provision of this Agreement or in seeking to enjoin any violation of this Agreement by the Franchisee. In any action brought pursuant to this Agreement where TMI prevails against the Franchisee, the Franchisee will indemnify TMI for all costs that it incurs in any lawsuit or proceeding arising under this Agreement including, without limitation; attorneys' fees, expert witness fees, costs of investigation, court costs, litigation expenses, interest, travel and living expenses, and all other costs incurred by TMI.

21.320.3 CONTINUATION OF OBLIGATIONS. The indemnification and other obligations contained herein will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

ARTICLE 22ARTICLE 21 ACKNOWLEDGMENTS

22.421.1 BUSINESS RISKS; NO FINANCIAL PROJECTIONS. The Franchisee acknowledges that it has conducted an independent investigation of The Maids® Business and recognizes that the business venture contemplated by this Agreement involves business and economic risks and that the financial and business success of the Franchised Business will be primarily dependent upon the personal efforts of the Franchisee, its management and its employees. ~~Franchisee hereby assumes the responsibility for the success or failure of the Franchised Business venture.~~ TMI expressly disclaims the making of, and the Franchisee acknowledges that it has not received, any estimates, projections, warranties or guaranties, expressed or implied, regarding potential Gross Revenues, income, profits or earnings, expenses or the financial or business success of the Franchised Business, except as set forth in TMI's Franchise Disclosure Document, a copy of which has been provided to the Franchisee.

22.221.2 NO INCOME OR REFUND WARRANTIES. TMI does not warrant or guarantee to the Franchisee: (A) that the Franchisee will derive income or profit from the Franchised Business; or (B) that TMI will refund all or part of the Initial ~~Territory~~Franchise Fee or any other fees paid hereunder, or the price paid for the Franchised Business, or repurchase any of the vehicles, products, supplies or equipment supplied or sold by TMI or an approved supplier if the Franchisee is unsatisfied with its Franchised Business.

22.321.3 RETAINING OF LEGAL COUNSEL. The Franchisee acknowledges that TMI has strongly recommended that the Franchisee should retain an attorney to review TMI's Franchise Disclosure Document, including TMI's financial statements and this Agreement, review all leases, contracts and other documents relating to The Maids® Business, to advise the Franchisee on tax issues, financing matters, applicable state and federal laws, environmental laws, licensing laws and any other laws relating to household maintenance and cleaning, employee issues, insurance, structure of the Franchised Business, and other business matters, and to advise the Franchisee as to the terms and conditions of this Agreement and the potential economic benefits and risks of loss relating to this Agreement and the Franchised Business.

22.421.4 OTHER FRANCHISEES. The Franchisee acknowledges that other franchisees of TMI have or will be granted franchises at different times, different locations, under different economics and in different situations, and further acknowledges that the economics and terms and conditions of such franchises may vary substantially in form and in substance from those contained in this Agreement.

22.521.5 RECEIPT OF AGREEMENT AND FRANCHISE DISCLOSURE DOCUMENT.

The Franchisee acknowledges that except for negotiated changes the Franchisee initiated, it received a copy of this Agreement with all material blanks fully completed at least seven calendar days prior to the date that this Agreement was executed by the Franchisee. The Franchisee further acknowledges that it has received a copy of TMI's Franchise Disclosure Document at least fourteen calendar days prior to the date on which this Agreement was executed.

ARTICLE 23~~ARTICLE 22~~
DISCLAIMER; FRANCHISEE'S LEGAL COUNSEL

23.122.1 DISCLAIMER BY TMI. TMI expressly disclaims the making of any express or implied representations or warranties regarding the sales, earnings, income, profits, Gross Revenues, business or financial success, or value of the Franchised Business that were not contained in the Franchise Disclosure Document received by the Franchisee.

23.222.2 ACKNOWLEDGMENTS BY FRANCHISEE. The Franchisee acknowledges that it has not received any express or implied representations or warranties regarding the sales, earnings, income, profits, Gross Revenues, business or financial success, value of the Franchised Business or any other matters pertaining to The Maids® Business from TMI or any of TMI's officers, employees or agents that were not contained in the Franchise Disclosure Document received by the Franchisee (hereinafter referred to in this provision as "Representations"). The Franchisee further acknowledges that if it had received any such Representations, it would not have executed this Agreement, and that it would have: (A) promptly notified the President of TMI in writing of the person or persons making such Representations; and (B) provided to TMI a specific written statement detailing the Representations made.

23.322.3 LEGAL REPRESENTATION. The Franchisee acknowledges that this Agreement constitutes a legal document which grants certain rights to and imposes certain obligations upon the Franchisee. The Franchisee has been advised by TMI to retain an attorney or advisor prior to the execution of this Agreement to review TMI's Franchise Disclosure Document, to review this Agreement in detail, to review all legal documents, to review the economics, operations and other business aspects of the Franchised Business, to determine compliance with franchising and other applicable laws, to advise the Franchisee regarding the economic risks, liabilities, obligations and rights under this Agreement and to advise the Franchisee on tax issues, financing matters, applicable state and federal laws, health and safety laws, environmental laws, employee issues, insurance, structure of The Franchised Business, and other business matters. The name of the Franchisee's attorney or other advisor is:

Name: _____

Name of Firm: _____

Address: _____

City, State, Zip Code: _____

Telephone Number: _____

Fax Number: _____

ARTICLE 24~~ARTICLE 23~~
ENFORCEMENT

24.123.1 INJUNCTIVE RELIEF. ~~Franchisee acknowledges and agrees that irreparable harm could be caused to TMI will have the right to petition by Franchisee's violation of certain provisions of this Agreement and, as such, in addition to any other relief available at law or equity, TMI shall be entitled to obtain in any court of competent jurisdiction for the entry of, without bond, restraining orders or temporary and/or permanent injunctions and orders of specific performance enforcing in order to enforce, among other items,~~ the provisions of this Agreement relating to:

- (A) TMI's Marks, the required software and the System;
- (B) the obligations of the Franchisee upon termination or expiration of this Agreement;
- (C) the assignment, transfer or sale of this Agreement, the Franchised Business or the Ownership Interests of the Franchisee;
- ~~(D)~~ _____ confidentiality ~~and covenants;~~
- ~~(D)~~(E) _____ covenants not to compete; and
- ~~(E)~~(F) _____ any act or omission by the Franchisee or the Franchisee's employees that, (1) constitutes a violation of any applicable law, ordinance or regulation, (2) is dishonest or misleading to the clients or customers of the Franchised Business or other The Maids® Businesses, (3) constitutes a danger to the employees, public, clients or customers of the Franchised Business, or (4) may impair the goodwill associated with TMI's Marks, the required software and the System.

TMI will be entitled to injunctive relief against the Franchisee without posting a bond or other security. The Franchisee will indemnify TMI for all costs that it incurs in any lawsuit or proceedings under this provision including, without limitation; attorneys' fees, expert witness fees, costs of investigation, court costs, litigation expenses, accounting fees, travel and living expenses, and all other costs incurred by TMI. ~~Franchisee acknowledges and agrees that Franchisee's only remedy if such an injunction is entered will be the dissolution of the injunction, if appropriate, and Franchisee waives all damage claims if the injunction is wrongfully issued.~~

23.2 INTERNAL DISPUTE RESOLUTION. ~~Franchisee must first bring any claim or dispute between Franchisee and TMI to TMI's management, prior to mediation or commencing any legal action against TMI or its affiliates with respect to any such claim or dispute. Franchisee must submit a notice to TMI, which specifies, in detail, the precise nature and grounds of such claim or dispute pursuant to the notice provisions. Franchisee must exhaust this internal dispute resolution procedure before commencing mediation and/or litigation. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.~~

23.3 MEDIATION. ~~The parties have reached this Agreement in good faith and in belief that it is advantageous to each of them. In recognition of the enormous strain on time, unnecessary expense and wasted resources potentially associated with litigation, and in the spirit of cooperation, the parties pledge to try to resolve any dispute amicably, without litigation. Before filing or otherwise commencing any legal action, the parties agree to mediate any dispute, controversy or claim between Franchisee and/or any of Franchisee's owners, affiliates, officers, directors, shareholders, guarantors, predecessors, successors, assigns, employees, or members (each a "Franchisee Related Party"), on the one hand, and TMI and/or any of its affiliates, parents, officers, directors, shareholders, members, guarantors, employees, representatives, independent contractors and/or owners (each a "Franchisor Related Party"), on the other hand, including,~~

without limitation, in connection with any dispute, controversy or claim arising under, out of, in connection with or in relation to: (a) this Agreement; (b) the parties' relationship; (c) events occurring prior to the entry into this Agreement; (d) the Franchised Business; or (e) any System standard, in accordance with the procedures set forth in this Section, inclusive of all subparts. Good faith participation in these procedures to the greatest extent reasonably possible, despite lack of cooperation by one or more of the other parties, is a precondition to maintain any legal action, including any action to interpret or enforce this Agreement. The mediation shall be conducted in accordance with the following provisions:

a. **Initiation Procedure.** The party seeking mediation (the "Initiating Party") must commence mediation by sending the other party/parties a written notice of its request for mediation (the "Dispute Notice"). The Dispute Notice will specify, to the fullest extent possible, the nature of the dispute, the Initiating Party's version of the facts surrounding the dispute, the amount of damages, and the nature of any injunctive or other relief such party claims and must identify one or more persons with authority to settle the dispute for the Initiating Party. The party (or parties as the case may be) receiving a Dispute Notice (the "Responding Party") will issue a written response (the "Response") to the Initiating Party within thirty (30) business days after receipt of the Dispute Notice identifying one or more persons with authority to settle the dispute on the Responding Party's behalf (the "Authorized Persons").

b. **Direct Negotiations.** Upon receipt of a Dispute Notice and the issuance of the Response, the parties will endeavor, in good faith, to resolve the dispute outlined in the Dispute Notice and the Response. If the parties have been unable to resolve any such dispute(s) outlined in a Dispute Notice or a response thereto within twenty (20) days after the Initiating Party's receipt of the Response, either party may initiate a mediation procedure in accordance with the American Arbitration Association ("AAA"), pursuant to its Commercial Mediation Procedures, and unless otherwise agreed by the parties in writing, will take place in person in the city of TMI's then-current corporate headquarters, as TMI designates.

c. **Selection of the Mediator; Time & Place for Mediation.** The Authorized Persons will select the mediator in accordance with the AAA procedures. In consultation with the parties, the mediator shall promptly designate a mutually acceptable time and place for the mediation to be held in person in the city of TMI's then-current corporate headquarters.

d. **Representatives.** In the mediation, each party must be represented by an Authorized Person and may be represented by counsel. In addition, each party may, with permission of the mediator, bring with him, her, or it any additional persons who are needed to respond to questions, contribute information, and participate in the negotiations.

e. **Conduct of Mediation.** The mediator shall assist the Authorized Persons to negotiate a resolution of the matter in dispute, with or without the assistance of counsel or others. To this end, the mediator is authorized both to conduct joint meetings and to attend separate private caucuses with the parties. All mediation sessions will be strictly private. The mediator must keep confidential all information learned unless specifically authorized by the party from which the information was obtained to disclose the information to the other party. The parties commit to participate in the proceedings in good faith with the intention of resolving the dispute if at all possible.

f. **Termination of Procedure.** The parties agree to participate in the mediation procedure to its conclusion, as set forth in this Section. The mediation may be concluded (1) by the signing of a settlement agreement by the parties, (2) by the mediator's declaration that the mediation

is terminated, or (3) by a written declaration of either party, no earlier than at the conclusion of a full day's mediation, that the mediation is terminated. Even if the mediation is terminated without resolving the dispute, the parties agree not to terminate negotiations and not to begin any litigation or legal action or seek another remedy before the expiration of five (5) days following the mediation. A party may begin litigation within this five (5) day period only if the litigation might otherwise be barred by an applicable statute of limitations or in order to request an injunction from a Court of competent jurisdiction to prevent irreparable harm.

g. **Fees of Mediator; Disqualification.** The fees and expenses of the mediator must be shared equally by the parties. The mediator may not later serve as a witness, consultant, expert or counsel for any party with respect to the dispute or any related or similar matter in which either of the parties is involved.

h. **Confidentiality.** The mediation procedure is a compromise negotiation or settlement discussion for purposes of federal and state rules of evidence. The parties agree that no stenographic, visual or audio record of the proceedings may be made. Any conduct, statement, promise, offer, view or opinion, whether oral or written, made in the course of the mediation by the parties, their agents or employees, or the mediator is confidential and shall be treated as privileged. No conduct, statement, promise, offer, view or opinion made in the mediation procedure is discoverable or admissible in evidence for any purpose, not even impeachment, in any proceeding involving either of the parties. However, evidence that would otherwise be discoverable or admissible will not be excluded from discovery or made inadmissible simply because of its use in the mediation.

23.4 CONTRACTUAL LIMITATION OF CLAIMS. Franchisee (and Franchisee's officers, directors, owners and guarantors) expressly agree that no claim or cause of action may be filed or maintained against TMI and/or any Franchisor Related Party arising out of or relating to this Agreement, the relationship established by this Agreement, the offer and sale of the franchise opportunity, and/or the operation of the Franchised Business unless such claim or cause of action is filed before the expiration of the "Limitations Period." For purposes of this paragraph, the term "Limitations Period" means: one (1) year from the earlier of: (a) the date of the act, transaction or occurrence giving rise to the claim against TMI or a Franchisor Related Party; or (b) the date on which Franchisee (Franchisee's officers, directors, owners and/or guarantors) knew or reasonably should have known of the facts or circumstances giving rise to the claim against TMI or a Franchisor Related Party. Notwithstanding the foregoing, if the Limitations Period is unenforceable under the law of the state where TMI's then-current corporate headquarters is located (or, in the event a court determines a different state's law applies to the claim, then under that state's law), then the Limitations Period shall be equal to the shortest time period for a limitation of claims provision that is enforceable under the applicable law.

This contractual limitation of claims provision applies to all claims, whether based on contract, tort, statute, or any other legal theory. Franchisee acknowledges that this limitation of claims provision and the Limitations Period is a material inducement for TMI to enter into this Agreement and that it is intended to provide certainty and finality to potential disputes. To the fullest extent permitted by law, Franchisee hereby waives any longer statutory limitation period and agrees that the foregoing limitation is reasonable and enforceable.

23.5 NO DISPUTES SUBJECT TO ARBITRATION. No disputes arising under, as a result of, or in connection with this Agreement, the Designated Market Area or the Franchised Business will be subject to arbitration.

23.6 NO CLASS OR COLLECTIVE ACTIONS. The parties agree that all proceedings arising out of or related to this Agreement, the performance of either party, and/or Franchisee's purchase from TMI of the franchise, and/or any goods or services, will be conducted on an individual, not a class-wide, collective, or representative basis, and that any proceeding between Franchisee, the Personal Guarantors and TMI and/or any Franchisor Related Party may not be consolidated with any other proceeding between TMI and any other third party. No class actions or the joinder of any person, entity or association that is not a party to this Agreement shall be involved in or participate in any legal proceeding arising out of or related to this Agreement.

23.7 WAIVER OF JURY TRIAL. Each party irrevocably waives trial by jury in any action brought by either party, whether based on contract, tort, statute, or any other legal theory. Franchisee and TMI agree that any proceeding, whether at law or in equity, which arises out of, concerns, or is related to this Agreement or any of the relationships or transaction contemplated by this Agreement, or Franchisee's investment in the Franchised Business shall be tried before a court of competent jurisdiction and not a jury.

23.8 WAIVER OF PUNITIVE DAMAGES. Franchisee hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) against Franchisor and/or any Franchisor Related Party arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, that Franchisee's recovery is limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages. Nothing in this Section or any other provision of this Agreement shall be construed to prevent Franchisor from claiming and obtaining expectation or consequential damages, including lost future royalties for the balance of the term of this Agreement if it is terminated due to Franchisee's default, which the parties agree and acknowledge Franchisor may claim under this Agreement.

24.223.9 SEVERABILITY. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable law or rule of any jurisdiction requires a greater prior notice of the termination of this Agreement than is required hereunder or the taking of some other action not required hereunder, or if under any applicable law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by TMI is invalid or unenforceable, the prior notice or other action required by such law or rule will be substituted for the notice requirements hereof, or such invalid or unenforceable provision, specification, standard or operating procedure will be modified to the extent required to be valid and enforceable. Such modifications to this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

24.323.10 WAIVER. TMI and the Franchisee may, by written instrument signed by TMI and the Franchisee, waive any obligation of or restriction upon the other under this Agreement. Acceptance by TMI of any payment by the Franchisee and the failure, refusal or neglect of TMI to exercise any right under this Agreement or to insist upon full compliance by the Franchisee of its obligations hereunder including, without limitation, any mandatory specification, standard or operating procedure, will not constitute a waiver by TMI of any provision of this Agreement.

24.423.11 PAYMENTS TO TMI. The Franchisee will not for any reason withhold payment of any Continuing License Fees or any other fees or payments due TMI pursuant to this Agreement or pursuant to any other contract, agreement or obligation to TMI. The Franchisee will not have the right to

“offset” any liquidated or unliquidated amounts, damages or other funds allegedly due to the Franchisee by TMI against any Continuing License Fees or any other fees or payments due to TMI under this Agreement or under any other agreement or contract. TMI shall have the right to apply any payments received from the Franchisee first to the repayment of all costs of collection, including but not limited to attorney’s fees, next to any late payment charges, next to accrued interest and then to the oldest obligation due under this Agreement or any other agreement between the Franchisee and TMI or an affiliate of TMI. In addition, TMI shall have the right to set-off, from any amounts that TMI may owe to the Franchisee, any amount that the Franchisee owes to TMI.

24.523.12 EFFECT OF WRONGFUL TERMINATION. In the event that TMI or the Franchisee takes any action to terminate this Agreement and/or to convert the Franchised Business to another business without first complying with the terms and conditions (including the written notice and opportunity to cure provisions) of Article 16 ~~or Article 17~~ of this Agreement, as applicable, then such action will not relieve either party of, or release either party from, any of its obligations under this Agreement, and the terms and conditions of this Agreement will remain in full force and effect until such time as this Agreement expires or is terminated in accordance with the provisions of this Agreement and applicable law.

24.623.13 CUMULATIVE RIGHTS. The rights of TMI hereunder are cumulative and no exercise or enforcement by TMI of any right or remedy hereunder will preclude the exercise or enforcement by TMI of any other right or remedy hereunder or which TMI is entitled by law to enforce.

24.723.14 VENUE AND JURISDICTION. Unless provided by this Agreement or applicable law to the contrary, all litigation, lawsuits, hearings, proceedings and other actions initiated by either party against the other party will be ~~venued~~held exclusively in the city/county and state of TMI’s then-current corporate headquarters, as TMI designates, which is currently Douglas County, Nebraska.- The Franchisee acknowledges that the Franchisee and its officers, directors, members, partners and employees have had substantial business and personal contacts with TMI in ~~Douglas County, Nebraska. the city and state of TMI’s then-current corporate headquarters.~~ Consequently, TMI, the Franchisee, and each of their officers, directors and shareholders, and the ~~Personal Guarantors~~personal guarantors do hereby agree and submit to personal jurisdiction in the State of Nebraska or any other state where TMI’s then-current corporate headquarters is located for the purposes of any suit or proceeding brought to enforce or construe the terms of this Agreement or to resolve any dispute or controversy arising under, as a result of, or in connection with this Agreement, ~~the Designated Market Area~~ or the Franchised Business, and do hereby agree and stipulate that any such suits, proceedings, hearings or other actions will be exclusively ~~venued and~~ held in the city/county and state of TMI’s then-current corporate headquarters, as TMI designates, which is currently Douglas County, Nebraska.- TMI also reserves the right to file any litigation, lawsuits, hearings, proceedings or other action against the Franchisee in the federal or state courts where the Franchised Business is located. -The Franchisee waives all rights to challenge personal jurisdiction and venue.

23.15 GOVERNING LAW. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.), this Agreement, the relationship between TMI and Franchisee and any dispute between the parties shall be subject to and shall be enforced and construed pursuant to the laws of the state where TMI’s then-current corporate headquarters is located, which is currently Nebraska. If any provision or term of this Agreement is held to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated. In the event of litigation to enforce any of the provisions of this Agreement, the prevailing party may recover court costs and reasonable attorneys’ fees.

23.16 THIRD-PARTY BENEFICIARIES. TMI's officers, directors, members, agents and/or employees are express third-party beneficiaries of the provisions of this Agreement, including the dispute resolution provisions set forth in Article XX, each having the authority to specifically enforce the right to mediate claims asserted against such person(s) by Franchisee and/or any Personal Guarantor.

24.823.17 BINDING AGREEMENT. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest.

24.923.18 NO ORAL MODIFICATION. ~~No modification, change, addition, rescission, release, amendment or waiver of this Agreement and no approval, consent or authorization required by any provision of this Agreement may be made except by a written agreement signed by duly authorized officers or partners of the Franchisee and the President or the Chief Operating Officer. This Agreement may only be modified or amended by a written document executed by Franchisee and Franchisor. Notwithstanding anything herein to the contrary, Franchisor shall have the right unilaterally to reduce the scope of any covenants of Franchisee contained in this Agreement upon notice to Franchisee, whereupon Franchisee shall comply therewith as so modified.~~ The Franchisee and TMI will not have the right to amend or modify this Agreement orally or verbally, and any attempt to do so will be void in all respects.

23.19 DELEGATION. Franchisee agrees that Franchisor shall have the right to delegate to third-party designees, whether these designees are Franchisor's agents or independent contractors with whom Franchisor has contracted (1) the performance of any portion or all of Franchisor's obligations under this Agreement, and (2) any right that Franchisor has under this Agreement. If Franchisor does so, such third-party designees will be obligated to perform the delegated functions for Franchisee in compliance with this Agreement.

24.1023.20 ENTIRE AGREEMENT. This Agreement supersedes and terminates all prior agreements, either oral or in writing, between the parties involving the franchise relationship and therefore, representations, inducements, promises or agreements alleged by either TMI or the Franchisee that are not contained in this Agreement will not be enforceable. The preambles are a part of this Agreement, which constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between TMI and the Franchisee relating to the subject matter of this Agreement. Nothing in this Agreement is intended to disclaim the representations TMI made in its Franchise Disclosure Document that TMI provided to the Franchisee.

24.1123.21 JOINT AND SEVERAL LIABILITY. If the Franchisee consists of more than one individual, then the liability of all such individuals under this Agreement will be joint and several.

24.1223.22 HEADINGS; TERMS. The headings of the Articles are for convenience only and do not in any way define, limit or construe the contents of such Article. The term "Franchisee" as used herein is applicable to one or more individuals, a corporation or a partnership, as the case may be, and the singular usage includes the plural, the masculine usage includes the neuter and the feminine, and the neuter usage includes the masculine and the feminine. References to "Franchisee," "assignee," "licensee" and "transferee" which are applicable to an individual or individuals will mean the principal owner or owners of the equity or operating control of the Franchisee or any such assignee or transferee if the Franchisee or such assignee or transferee is a corporation or partnership. If the Franchisee consists of more than one individual, then all individuals will be bound jointly and severally by the terms and conditions of this Agreement.

24.1323.23 OPERATION IN THE EVENT OF ABSENCE, DISABILITY OR DEATH. To endeavor to avoid any interruption of the Franchised Business which would cause harm to the Franchised Business and thereby depreciate the value of the Franchised Business, the Franchisee expressly authorizes

TMI, if the Franchisee and its Manager are absent or incapacitated by illness or death, or in the absence of a Manager who has successfully completed the TMI SMART Start Training program, and the Franchisee is not, therefore, in the sole judgment of TMI, able to operate the Franchised Business, to operate the Franchised Business for as long as TMI deems necessary and practical, without waiver of any other rights or remedies TMI may have under this Agreement. All monies received by TMI from the operation of the Franchised Business during such period of operation by TMI will be kept in a separate account and the expenses of such Business, including reasonable compensation and expenses for TMI's representatives, will be charged to such account. If TMI operates the Franchised Business for the Franchisee, the Franchisee agrees to indemnify and hold harmless TMI and any representative of TMI from and against all acts which TMI or such representative may perform in such operation of the Franchised Business.

~~**24.14 — NO DISPUTES SUBJECT TO ARBITRATION.** No disputes arising under, as a result of, or in connection with this Agreement, the Designated Market Area or the Franchised Business will be subject to arbitration or mediation.~~

~~**24.15 — NO CLASS ACTIONS.** No party except TMI, the Franchisee, and the Franchisee's officers, directors, partners, members, shareholders and Personal Guarantors will have the right to join in any proceeding arising under this Agreement. No class actions or the joinder of any person or entity that is not a party to this Agreement shall be involved in or participate in any legal actions conducted pursuant to this Agreement.~~

~~**ARTICLE 25 GOVERNING LAW**~~

~~**25.1 — GOVERNING LAW.** Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.), this Agreement and the relationship between TMI and the Franchisee will be governed by the laws of the state in which the Designated Market Area is located. The provisions of this Agreement which conflict with or are inconsistent with applicable governing law will be superseded and/or modified by such applicable law only to the extent such provisions are inconsistent. All other provisions of this Agreement will be enforceable as originally made and entered into upon the execution of this Agreement by the Franchisee and TMI.~~

~~**ARTICLE 26**~~**ARTICLE 24 NOTICES**

All notices to TMI will be in writing and will be made by personal service upon an officer or director of TMI or sent by prepaid registered or certified mail addressed to TMI at 9394 West Dodge Road, Suite 140, Omaha, NE 68114 or such other address as TMI may designate in writing, with a copy to Craig Miller, Lathrop GPM, 500 IDS Center, 80 South Eighth Street, Minneapolis, MN 55402. All notices to the Franchisee will be made by personal service upon the Franchisee (or, if applicable, upon an officer or Director of the Franchisee) or sent by prepaid registered or certified mail addressed to the Franchisee at the Franchisee's office, or such other address as the Franchisee may designate in writing. Notice may also be made through delivery by a recognized delivery service that requires a written receipt signed by the addressee. Notice by mail is effective upon depositing the same in the mail in the manner provided above, notice by personal service is effective upon obtaining service, and notice by overnight delivery service is effective upon delivery (as confirmed by written receipt) by such delivery service.

IN WITNESS WHEREOF, TMI, the Franchisee and the holders of all of the Ownership Interests in the Franchisee have respectively signed and sealed this Agreement effective as of the day and year first above written.

“TMI”

THE MAIDS INTERNATIONAL, LLC

By_____

Its_____

“Franchisee”

The undersigned holders of Ownership Interests in the Franchisee hereby agree to be bound by the terms and conditions of this Agreement.

HOLDERS

PERCENTAGE
OF OWNERSHIP

_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND
PERSONALLY BY THE TERMS AND CONDITIONS
OF THE FRANCHISE AGREEMENT

In consideration of the execution of this Agreement by TMI, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guaranty for the payment of all amounts and the performance of the covenants, terms and conditions in this Agreement, to be paid, kept and performed by the Franchisee.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in this Agreement and agree that this Personal Guaranty should be construed as though the undersigned and each of them executed an Agreement containing the identical terms and conditions of this Agreement.

If any default should at any time be made therein by the Franchisee, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to pay to TMI all monies due and payable to TMI under the terms and conditions of this Agreement.

In addition, if the Franchisee fails to comply with any other terms and conditions of this Agreement, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to comply with the terms and conditions of this Agreement for and on behalf of the Franchisee.

In addition, should the Franchisee at any time be in default on any obligation to pay monies to TMI or any subsidiary or affiliate of TMI, whether for merchandise, products, supplies, furniture, fixtures, equipment or other goods purchased by the Franchisee from TMI or any subsidiary or affiliate of TMI, or for any other indebtedness of the Franchisee to TMI or any subsidiary or affiliate of TMI, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to pay all such monies due and payable from the Franchisee to TMI or any subsidiary or affiliate of TMI upon default by the Franchisee.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of the successors and assigns of TMI.

PERSONAL GUARANTORS

Individually

Address

City State Zip Code

Telephone

Individually

Address

City State Zip Code

Telephone

Individually

Address

City State Zip Code

Telephone

Individually

Address

City State Zip Code

Telephone

Individually

Address

City State Zip Code

Telephone

Individually

Address

City State Zip Code

Telephone

EXHIBIT A
TO THE FRANCHISE AGREEMENT

INITIAL FEES AND DESIGNATED MARKET AREA

1. **Initial Territory Franchise Fee.** The Initial ~~Territory~~Franchise Fee is an amount equal to \$0.50will depend on the number of Territories Franchisee qualifies for each Householdand elects to purchase, as approved by TMI. The Initial Franchise Fee structure is set forth in the following table.

<u>Number of Territories Purchased</u>	<u>Initial Franchise Fee</u>
<u>One (1) Territory</u>	<u>\$60,000</u>
<u>Two (2) Territories</u>	<u>\$110,000</u>
<u>Three (3) Territories</u>	<u>\$145,000</u>
<u>Four (4) Territories</u>	<u>\$170,000</u>
<u>Five (5) Territories</u>	<u>\$190,000</u>
<u>Each additional contiguous Territory after the purchase of the fifth (5th) Territory</u>	<u>\$20,000 for each additional contiguous Territory</u>

Franchisee's ~~Designated Market Area for a total of \$~~_____.Initial Franchise Fee is \$_____, for the purchase of ____ Territories.

The Initial Franchise Fee must be paid when Franchisee signs the Franchise Agreement and will be deemed to have been fully earned by TMI and non-refundable when paid.

2. **SMART Start Package.** The SMART Start Package is equal to \$_____.

3. **Designated Market Area.** The Franchisee's Designated Market Area shall be the following geographic area, as described on the attached written boundaries and map.

EXHIBIT E

SOFTWARE LICENSE AGREEMENT

THE MAIDS INTERNATIONAL, LLC
SOFTWARE LICENSE AGREEMENT

1. Parties. This Software License Agreement (this "Agreement") is entered into effective as of the ____ day of _____, 20__ (the "Effective Date"), by and between The Maids International, LLC, a Nebraska limited liability company, ("Licensor") and _____, _____ ("Licensee").

2. Software. Licensor has entered into an Agreement with Waterstreet Technology Group, 171 Water Street, Suite 200, Vancouver, BC V6B 1A7 ("WSTG") whereby Licensor has been granted a limited Master License for licensing purposes to distribute WSTG's Licensed Franchise Management Software (the "Software") to its franchisees. The Software was designed specifically to support the operations and management of a The Maids® Business. "Software" means all software products supplied to Licensee by Licensor including all documentation, user manuals, and other material related to the Software, whether in machine-readable or printed form, and error corrections and enhancements supplied by Licensor pursuant to this Agreement. If significant structural changes to the Software are made, additional upgrade costs may be incurred by Licensee.

3. Franchise Relationship. Licensee (as Franchisee) has signed a Franchise Agreement with Licensor (as Franchisor) on or before the date of this Agreement (hereinafter the "Franchise Agreement"). Pursuant to the Franchise Agreement, Licensee operates or will operate a franchised The Maids® Business to service a Designated Market Area defined in the Franchise Agreement. Licensee desires to obtain a license to use the Software in connection with the operation of its franchised The Maids® Business.

4. Hardware and Software. Licensee has acquired, at its sole expense, prior to or concurrently with access to the Software by Licensor, the compatible computer hardware and peripheral equipment, operating system software, internet connection, and other computer hardware and software required by Licensor to support the operation of the Software. Licensee will, at its sole expense, acquire any other hardware or third-party software required by Licensor during the term of this Agreement for the support of the Software or the operation of Licensee's The Maids® Business, and will pay all license or use fees payable with respect to any software required to support the operation of the Software.

5. Grant of License. Licensor grants to Licensee a nonexclusive and non-transferable license to use the Software in Licensee's business subject to the terms and conditions of this Agreement. Licensee is strictly prohibited from using the Software (a) for any purpose other than supporting the operation of Licensee's The Maids® Business, or (b) after the expiration or termination of this Agreement.

6. Monthly Software Fees. In addition to amounts owed under the Franchise Agreement, Licensee will pay a monthly fee which allows Licensee one site license per Licensee defined business entity (site), access to upgrades, fixes or any future versions of the Software at no additional cost and allows access to all training provided by Licensor. Software and Support Fees are \$140 per month, plus an additional \$85 per each additional office per month. Licensee will remit the Software and Support Fee monthly to Licensor on or after the 15th of the month for which the License is active. Licensee is deemed active for purposes of the initiation of continuing software fees upon completion of SMART Start Training. Remittance of the monthly Software and Support Fee to Licensor must be made (a) by pre-authorized electronic bank transfer from Licensee's account to Licensor's account, or (b) as otherwise directed by Licensor. Licensee will remit all applicable sales, use, excise, and other taxes on the Software, except for taxes based on Licensor's net income. Licensor reserves the right to increase the monthly Software and Support Fee upon 30 days' notice; provided that Licensor will not increase the portion of the Software and Support Fee attributable to Licensor's costs by more than the actual increase to Licensor's costs and

Licensor will not increase the portion of the Software and Support Fee attributable to Licensor's overhead and administrative expenses by more than 25% per year.

7. Software Support Plan. Basic Software support is provided by Licensor as part of the monthly software fee. Software customization, enhancements or other non-standard requests may result in billable services at WSTG's current rate.

8. Late Payment. Any amounts that are not paid to Licensor when due shall bear interest from the date due until paid of the lesser of 18% per annum or the maximum legal rate of interest allowed by the state in which the Licensee's The Maids® Business is located.

9. Term. Unless sooner terminated, the term of this Agreement and of the license granted herein will begin on the Effective Date and continue until the expiration or termination of the Franchise Agreement or the expiration or termination of the license agreement between Licensor and WSTG. Licensee may enter into a successor Software License Agreement with Licensor by signing Licensor's then-current form of Software License Agreement, and by paying all fees and complying with all terms and conditions set forth in the then-current form of Software License Agreement. Licensee further acknowledges that future changes in technology may necessitate upgrades in hardware and third-party software required to operate the Software which may result in additional costs or fees payable by Licensee.

10. Licensee Responsibilities - Security. Licensee must use discretion in granting access to Software and agrees to adhere to best practices for secure use and access to customer and business information. Licensee and users agree that unique login and password assignments will be granted to each user of the software and will not be shared. Passwords should be changed at least every thirty days. Licensee agrees to use up-to-date local anti-virus software on each device accessing Software. Licensee agrees to notify Licensor in the event, or suspicion of, a security breach in which an unauthorized or authorized user may have or has accessed Software for malicious purpose.

11. Ownership. Licensee is granted only a license to use the Software, and Licensor and/or WSTG retain all title to the Software. Licensor and/or WSTG reserve all rights in the patents, copyrights, trade secrets and other intellectual property in the Software.

12. Confidential Information. Licensee agrees that the Software is confidential and contains proprietary information of Licensor and that its unauthorized disclosure could cause the Licensor irreparable harm. Licensee agrees not to disclose the Software or make the Software available to anyone other than Licensee's employees or contractors unless Licensee has Licensor's prior written consent. Licensee will exercise no less than reasonable care to protect the Software from unauthorized disclosure, and will take reasonable steps to ensure that Licensee's employees and contractors do not disclose it in violation of this Agreement. Licensee will be liable to Licensor for damages if Licensee is negligent in protecting the Software in accordance with this Agreement. LICENSEE WILL NOT DISASSEMBLE, DECOMPILE, OR REVERSE ENGINEER THE SOFTWARE UNDER ANY CIRCUMSTANCES.

13. Access to Software and Information. Licensee agrees that Licensor will at all times have the right to access the Software, by high speed internet access, i.e. cable modem access, for purposes of obtaining financial, sales, customer, marketing and all other data and information contained, resident or otherwise available in Licensee's computer system, for purposes of verifying compliance by Licensee with the terms of this Agreement or the Franchise Agreement, and for such other purposes as may be determined by Licensor, in its sole discretion. Licensor will have the right to retain and use any information obtained by accessing Licensee's Software for any purposes deemed appropriate by Licensor, in its sole discretion. Licensor may also, personally or through its assignees, access Licensee systems for the purposes of technical troubleshooting, diagnosis and resolution.

14. Limited Warranty. LICENSOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, GUARANTEES OR REMEDIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

15. Limitation of Liability. UNDER NO CIRCUMSTANCES WILL LICENSOR BE LIABLE FOR LOSS OF DATA, REPROCUREMENT COSTS, LOST REVENUE OR PROFITS OR FOR ANY OTHER SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES EVEN IF THEY WERE FORESEEABLE OR LICENSEE HAS INFORMED LICENSOR OF SUCH POTENTIAL DAMAGES.

16. Proprietary Rights Indemnity. Licensor will, at its expense, defend Licensee against any claim that the Software infringes a United States patent or copyright. Licensee must give the Licensor prompt written notice of any claim and cooperate fully with Licensor in its defense. Licensor will have the sole authority to control the case and any related settlement negotiations, and will pay all costs, damages and attorney's fees that a Court finally awards as a result of such claim. If, in Licensor's opinion, the Software or any component of the Software is likely to become the subject of such a claim, Licensor will have the right, at its option and expense, to attempt to either secure the right to continue using the Software, or else replace or modify the Software so that it becomes non-infringing without materially affecting the Licensee's ability to use it. If neither of these alternatives is available on terms which Licensor deems to be reasonable, then Licensee will return the Software to Licensor at Licensor's request, and Licensor will have no further obligations to Licensee with regard to the Software. Licensor will not be obligated to Licensee under this ~~section~~Section for any claim which arises as a result of or relates to (a) Licensee's modification of the Software; (b) Licensor's compliance with Licensee's specifications or instructions in connection with providing support services; (c) the combination or interconnection of the Software with any other product, device or system Licensor did not supply or designate; or (d) any claims of infringement relating to any computer software other than the Software, including any claims relating to any operating system used to support the operation of the Software.

17. Assignment. Licensee will not sublicense, transfer, rent or lease the Software except in connection with an assignment of Licensee's The Maids® Business pursuant to and in accordance with the terms and conditions of the Franchise Agreement, or otherwise with Licensor's prior written consent. If Licensor gives Licensee authorization to transfer this Agreement and the license granted hereunder to use the Software, the assignee must agree to accept the terms and conditions of this Agreement or sign Licensor's then-current Software License Agreement, at Licensor's option. Licensee access to Software will be terminated. Licensor will have the right to assign this Agreement or the rights to receive monthly Software and Support Fees to a parent or Affiliate Company, a successor in interest, or other transferee upon notice to the Licensee.

18. Default. Any of the following occurrences will constitute an "Event of Default" under this Agreement:

- (a) Licensee's failure to pay when due any monthly Software and Support Fees or other charge or fee payable to Licensor pursuant to this Agreement;
- (b) Licensee's breach or default of any other provision of this Agreement if such breach or default is not corrected within 30 days, or such other period of time specified by applicable law, after the Licensor gives the Licensee written notice of breach;
- (c) The Franchise Agreement is terminated by either party or expires and is not renewed; or

(d) Licensee is in default of any of its obligations under the Franchise Agreement and fails to correct such default in accordance with the notice and cure provisions of the Franchise Agreement.

19. Licensor's Remedies Upon Default. Upon the occurrence of any event of default, Licensor will have the right to exercise any or all of the following rights and remedies:

- (a) Terminate this Agreement;
- (b) Declare all amounts owed to Licensor pursuant to this Agreement to be immediately due and payable;
- (c) Require that Licensee cease use of the Software;
- (d) Cease performance of all of Licensor's obligations under this Agreement without liability to Licensee;
- (e) Use computer hardware and/or computer software to limit Licensee's use of the Software; and/or
- (f) Use computer hardware and/or computer software to render the Software unusable to Licensee.

20. Sole Agreement; Modification. This Agreement is the sole agreement between the parties relating to the subject matter hereof and supersedes all prior understandings, writings, proposals, representations or communications, oral or written, of either party. This Agreement may be amended only by a writing executed by the party against whom enforcement is sought.

21. Governing Law. This Agreement will be interpreted in accordance with the substantive laws of the state in which ~~Licensee's The Maids® Business~~ Licensor's then-current corporate headquarters is located.

22. Costs and Attorneys' Fees. Licensee will indemnify Licensor for all costs that Licensor incurs in any lawsuit or proceeding to enforce this Agreement including, without limitation; actual attorneys' fees, expert witness fees, costs of investigation, court costs, litigation expenses, travel and living expenses, and all other costs incurred by Licensor.

23. Severability. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable law or rule of any jurisdiction requires a greater prior notice of the termination of this Agreement than is required or the taking of some other action not required, or if under any applicable law or rule of any jurisdiction, any provision of this Agreement is invalid or unenforceable, the prior notice or other action required by such law or rule will be substituted for the notice requirements hereof, or such invalid or unenforceable provision will be modified to the extent required to be valid and enforceable. Such modifications to this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

24. Waiver; Consent. Licensor and Licensee may, by written instrument signed by Licensor and Licensee, waive any obligation of or restriction upon the other under this Agreement. Acceptance by Licensor of any payment by Licensee and the failure, refusal or neglect of Licensor to exercise any right

under this Agreement or to insist upon full compliance by Licensee of its obligations will not constitute a waiver by Licensor of any provision of this Agreement. Whenever this Agreement requires Licensor's prior written consent, such consent may be withheld by Licensor for any reason whatever.

25. No Rights of Offset. Licensee will not, on grounds of the alleged nonperformance by Licensor of any of its obligations or for any other reason, withhold payment of any monthly Software and Support Fees or payments due Licensor pursuant to this Agreement or pursuant to any other contract, agreement or obligation. Licensee will not have the right to "offset" any liquidated or unliquidated amounts, damages or other funds allegedly due to Licensee by Licensor against any payments due to Licensor under this Agreement.

26. Licensor's Rights Cumulative. The rights of Licensor are cumulative and no exercise or enforcement by Licensor of any right or remedy will preclude the exercise or enforcement by Licensor of any other right or remedy or which Licensor is entitled by law to enforce.

27. Jurisdiction; Venue. All litigation, court hearings, or other proceedings initiated by either party against the other party will be initiated, venued and maintained in strict accordance with the corresponding applicable provisions of the Franchise Agreement.

28. Binding Agreement. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest.

29. Headings. The headings used in this Agreement are for convenience only and do not in any way define, limit or construe the contents hereof.

30. Notices. All notices to Licensor or Licensee will be given in accordance with and subject to the corresponding applicable terms and conditions of the Franchise Agreement.

31. Counterparts. This Agreement may be executed simultaneously in multiple counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the day and year first above written.

"LICENSEE"

"LICENSOR"

THE MAIDS INTERNATIONAL, LLC

By_____

By_____

Its_____

Its_____

EXHIBIT F

NATIONAL ALLIANCE PARTICIPATION AGREEMENT

|

NATIONAL ALLIANCE PARTICIPATION AGREEMENT

The undersigned franchisee ("Franchisee") and The Maids International, LLC ("TMI") are parties to a The Maids® franchise agreement (the "Franchise Agreement"). Franchisee, by executing this Participation Agreement (the "Agreement"), elects to become a participating franchisee in the arrangements between TMI and all of TMI's national alliances ("Alliances") as described in the master services agreements entered into by and between TMI and Alliances (the "Master Services Agreement"). TMI has created a manual and other written documents that TMI will make available to Franchisee and will periodically update, that describes various standards, programs and rules for Franchisee to participate in arrangement between TMI and its Alliances. Franchisee accepts, and agrees to be bound by, all of the terms of this Agreement and the Alliances Manual. Except as provided for in Section 7 of this Agreement, in the event of an inconsistency between the terms of this Agreement and the terms of the Franchise Agreement, the terms of the Franchise Agreement control.

TERMS

1. Provision of Services. Franchisee shall provide certain services to Alliances' customers in accordance with this Agreement and with the terms and conditions of Alliances Manual (the "Services").
2. Service Fees. Alliances shall pay TMI the fees due under the Master Services Agreements as described in the Alliances Manual (the "Fees"). TMI will forward weekly invoices as updated on TMI's intranet or otherwise in writing to Alliances for Services previously performed by Franchisee. Alliances will provide payment of the Fees to TMI no later than thirty (30) days from the date of receipt of such invoice. Once the Fees are received by TMI from Alliances, TMI will remit such Fees to Franchisee within a reasonable amount of time, but no later than within ten (10) business days of its receipt of such fees from Alliances. Fees pertaining to any additional services or service hours requested by Alliances' customers will be payable directly to Franchisee by customer. Franchisee shall locate and provide to TMI any documentation required to substantiate any Fees, including an itemized list of the Services provided to specific residences on specific dates, as requested. In the event that Alliances reasonably disputes any Fees, it must submit written notice and any supporting documentation to TMI within thirty (30) days of its receipt of TMI's invoice. TMI will immediately forward such notice to Franchisee for Franchisee's consideration. Franchisee shall provide TMI a written response within ten (10) days of the date of Alliances' notice of dispute.
3. Taxation. Franchisee is responsible for payment of any and all taxes related to its provision of the Services to Alliances, including without limitation, any and all state and local sales and use taxes, gross receipts, business and occupation taxes incurred or required to be paid for any reason in connection with the sale of Services to Alliances or any penalties or interest assessed on audit due to any action, inaction or omission of Alliances or its customers or their respective employees, agents, contractors or representatives with respect to the taxes to be paid hereunder. The Fees are inclusive of any such taxes. The terms set forth in Section 2 of this Agreement shall govern any collection of taxes pursuant to this Section 3.
4. Insurance. Franchisee will submit to TMI concurrently with the execution of this Agreement, and annually thereafter, proof of all insurance required under the Franchise Agreement. Franchisee agrees to keep TMI informed of all claim activities involving the Services provided to Alliances or its customers, including actions taken with regard to any claim by any insurance carrier. The purchase of insurance and the furnishing of certificates are required in order to perform any Services for Alliances or its customers.
5. Compliance with TMI Franchise Agreement. Except as provided for in Section 7 of this Agreement, Franchisee agrees to comply with all of its obligations under its Franchise Agreement with

TMI, including but not limited to, being on the latest version of software and related electronic payment process, being current with payment of royalties and meeting its obligations with an agreed upon payment plan.

6. Exclusivity. Franchisee agrees these programs are maintained exclusively with Alliances and that agreements with any company to perform the same services provided to the Alliances may be a violation of the exclusivity terms of the Master Services Agreements. Any other relationships with such companies must be approved in writing by TMI prior to their commencement.

7. Franchisee Availability Outside Its Territory. Notwithstanding any provision of Franchisee's Franchise Agreement to the contrary, upon Franchisee's execution of this Agreement, TMI will designate the ~~zip-codes~~Zip Codes outside the Designated Market Area ("DMA") of Franchisee (and all other TMI franchisees' DMAs) in which Franchisee is able to offer Services under this Agreement, if Franchisee is willing to do so. TMI retains the sole and exclusive right and authority to designate to which franchisee sales from Alliance programs will be sent when outside any DMAs and may reassign or sell those service ~~zips~~Zip Codes at any time. TMI also retains the sole and exclusive right and authority to amend the Alliances projects that Franchisee will perform in such areas during the term of this Agreement. Franchisee acknowledges the designation to perform Services under this Agreement is a non-exclusive designation and that it will have no right to perform Alliances projects in any designated ~~zip-codes~~Zip Codes should TMI sell a DMA which includes the designated ~~zip-codes~~Zip Codes or reassigns the designated ~~zip-codes~~Zip Codes to another franchisee.

8. Marketing Outside Its Territory. Franchisee acknowledges that TMI does not recommend marketing outside of a Franchisee's DMA.

9. Service Standards and Quality Labor Standards. Franchisee agrees to abide by the "Service Standards" and the "Quality Labor Standards" required by the Alliances as described in the TMI's Alliances Manual.

10. Indemnification. Franchisee will indemnify, defend and hold TMI and the Alliances, and their respective affiliates, subsidiaries, officers, directors, agents and employees harmless for, from and against any and all liability, third party claims, causes of action, costs, loss and/or damages, including reasonable attorney's fees and costs (collectively, "Adverse Consequences"), arising out of or related to Franchisee's action or inaction with the performance of its obligations under this Agreement, including any Adverse Consequences arising out of or relating to the determination by any taxing jurisdiction that TMI or any Alliance owes any tax, penalty or interest with respect to Franchisee's provision of Services to Alliances or its customers. Franchisee will give prompt written notice to TMI of any Adverse Consequence for which Franchisee will have an obligation to indemnify and hold harmless TMI or an Alliance. This section will survive the termination, cancellation or expiration of this Agreement.

11. Use of Marks/Logos. Franchisee may not use Alliances' marks and logos without TMI's prior written consent.

12. Participation. TMI reserves the right, in its sole discretion, to determine a Franchisee's ability to participate in the program. At TMI's discretion, Franchisee may not be allowed to participate for any reason, including but not limited to quality issues, customer damage, or non-compliance with the Agreement.

13. Notification of non-compliance. Franchisee shall immediately inform TMI in writing of any non-compliance with the Agreement. If Franchisee breaches this Agreement, TMI may terminate this Agreement immediately upon written notice.

14. Effective Date and Termination. The Effective Date of this Agreement is _____, 2025 (“Effective Date”). The term of this Agreement commences on the Effective Date and continues for a period of one (1) year thereafter (“Initial Term”). This Agreement shall automatically renew on the Effective Date every year until the earlier of (i) termination of the Master Services Agreements, or (ii) TMI or Franchisee providing thirty (30) days prior written notice to the other party of its intent to terminate the Agreement.

15. Miscellaneous. All litigation, court hearings, or other proceedings initiated by either party against the other party will be initiated, venued and maintained in strict accordance with the corresponding applicable provisions of the Franchise Agreement. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest.

“FRANCHISEE”

By _____

Its _____

EXHIBIT G

PROMISSORY NOTE AND SECURITY AGREEMENT

PROMISSORY NOTE

\$ _____, 20____

Omaha, Nebraska

FOR VALUE RECEIVED, the undersigned, _____,
a _____ (“Maker”), promises to pay to the order of The Maids International,
LLC, a Nebraska limited liability company (herein with its successors and/or assigns, “Payee”) at 9394
West Dodge Road, Suite 140, Omaha, NE 68114, or at such other place as the Payee or other holder hereof
may direct in writing, the aggregate principal sum of _____
(\$ _____),
together with interest from the date hereof on the unpaid principal amount at the rate(s) hereinafter stated,
payable as follows:

1. Interest. The unpaid principal amount of this Promissory Note (“Note”) from time to
time outstanding shall bear interest from the date hereof at the rate of _____% per annum. If Maker fails
to pay any installment or make any payment on this Note for ten (10) days after the same shall become
due, whether by acceleration or otherwise, Payee may, at its option, impose a late charge on the
undersigned in an amount equal to five percent (5%) of such installment or payment. If any payment or
installment is not made within thirty (30) days after the same shall become due, Payee may, at its option,
impose an additional late charge on the undersigned in an amount equal to five percent (5%) of such
installment or payment. Such installment or payment shall be subject to an additional five percent (5%)
late charge for each additional period of thirty (30) days thereafter that such installment or payment
remains past due. The late charge shall apply individually to all installments and payments past due with
no daily adjustment and shall be used to defray the costs of Payee incident to collecting such late
installment or payment. This provision shall not be deemed to excuse a late installment or payment or be
deemed a waiver of any other rights Payee may have, including, but not limited to, the right to declare the
entire unpaid balance due under this Note immediately due and payable. In no event shall the rate of
interest payable hereunder at any time exceed the highest rate of interest allowed under applicable usury
laws.

2. Principal and Interest Payments. This Note shall be due and payable by electronic
funds transfer in _____ (_____) consecutive monthly installments with the initial
installment being due and payable on _____, 20____ and the remaining installments being
due and payable on the same day of each consecutive month thereafter. The final installment shall be due
and payable on _____, 20____ and shall consist of the remaining principal balance of this
Note and all unpaid interest accrued thereon. In the event that any payment date shall fall due on a
Saturday, Sunday or United States banking holiday, payment shall be made on the next succeeding
business day, and interest will continue to accrue on the unpaid principal amount during the interim. All
payments of principal and interest are to be made in lawful money of the United States of America in
immediately available funds.

3. Payment Application. Payments shall be applied first to expenses, costs, and attorney’s
fees which are payable under this Note, secondly to interest, and finally to the reduction of principal;
provided, such payments may at the option of Payee or other holder hereof, be applied to the payment of
delinquent taxes, installments of special assessments, insurance premiums and/or other legal charges.

4. The Security. This Note may be executed and delivered by Maker pursuant to, and is
entitled to the benefits of, a Security Agreement dated on even date herewith, between Maker and Payee

(the "Security Agreement"). Reference may be made to the Security Agreement for terms and provisions regarding the collateral security for payment of this Note (the "Collateral"), and for all other pertinent purposes.

~~5. **Events of Default.** An "Event of Default" shall be deemed to have occurred in the event that: (a) any installment of principal or interest due hereunder is not paid after becoming due and payable; or (b) any default by Maker occurs in the performance of the covenants, obligations or other provisions under the Franchise Agreements between Maker and Payee (the "Franchise Agreement(s)"), or any other agreement between Maker (or its affiliates) and Payee; or (c) any representation or warranty of the Maker set forth in the Franchise Agreement(s), or any other agreement between Maker and Payee proves to have been incorrect in any material respect; or (d) Maker becomes subject to any bankruptcy, insolvency or debtor relief proceedings; or (e) Maker fails to comply with or perform any provision of this Note not constituting a default under the previous items of this paragraph and such failure continues for fifteen (15) days after notice thereof to Maker; or (f) a default occurs causing the acceleration of any material obligation of Maker to any other creditors; or (g) any guarantors of the Franchise Agreement(s) revokes or renounces his or her guaranty; or (h) the Franchise Agreement(s) is terminated by Maker or by Payee or is declared terminated in any judicial proceeding.~~

~~6. **Default and Remedies.** Upon the occurrence of an Event of Default as defined herein or at any time thereafter, the entire principal and accrued interest of this Note shall become immediately due and payable, without further notice to Maker, at the option of Payee or other holder hereof. Payee or other holder hereof may also exercise any rights and remedies available to it as a secured party under the Security Agreement (if applicable), the Nebraska Uniform Commercial Code or other applicable law. To the extent permitted by applicable law, all benefits, rights and remedies hereunder shall be deemed cumulative and not exclusive of any other benefit, right or remedy herein. The failure of Payee or other holder hereof to exercise any right or remedy hereunder shall not be deemed to be a release or waiver of any obligation or liability of the Maker.~~

~~7. **Obligations Absolute.** All obligations of Maker hereunder are absolute and unconditional, irrespective of any offset or counterclaim of Maker against Payee or other holder hereof. Maker hereby waives the right to claim or enforce any right of offset, counterclaim, recoupment or breach in any action brought to enforce the obligations of Maker under this Note.~~

~~8. **Waivers.** Maker and any co-makers, sureties, endorsers and guarantors of this Note hereby jointly and severally waive presentment for payment, notices of non-performance or nonpayment, protest, notice of protest, notice of dishonor, diligence in bringing suit hereon against any party hereto and notice of acceleration, and further consent to any extension of time for payment hereunder (whether one or more), any renewal hereof (whether one or more), any substitution or release of Collateral (if applicable), and any addition or release of any party liable for payment of this Note. Any such extension, renewal, substitution or release may be made without notice to any such party and without discharging such party's liability hereunder. Payee reserves the right, in its sole and exclusive discretion, to waive the requirement in Section 2 above that all payments hereunder be due by electronic funds transfer.~~

~~9. **Collection Costs; Attorney's Fees.** Maker agrees to pay all expenses and costs of collection, including all reasonable attorney's fees and expenses, court costs, costs of sale and costs of maintenance and repair and similar costs incurred by Payee in connection with the enforcement of this Note, the collection of any amounts payable hereunder, whether by acceleration or otherwise, and/or the sale or other disposition of any Collateral.~~

~~10. **Prepayment.** Maker may prepay this Note, in whole or in part, at any time without premium or penalty. Any partial payments shall be applied first to accrued interest and then to principal installments in reverse order of maturity.~~

~~11. **Severability.** If any term or provision of this Note or application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Note, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and shall be valid and enforced to the fullest extent permitted by law.~~

~~12. **Limitation on Interest.** All agreements between Maker and Payee, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency, whether by reason of demand or acceleration of the maturity hereof or otherwise, shall the interest contracted for, charged, or received by Payee, or any subsequent holder hereof, exceed the maximum amount permissible under applicable law. If any interest in excess of the maximum amount of interest allowable by said applicable laws is inadvertently paid to Payee or the holder hereof, at any time, any such excess interest shall be refunded by the holder to the party or parties entitled to the same after receiving notice of payment of such excess interest. All interest paid or agreed to be paid to Payee shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period until payment in full of the principal (including the period of any renewal or extension hereof) so that the interest hereon for such full period shall not exceed the maximum amount permitted by applicable law. This paragraph shall control all agreements between Maker and Payee.~~

~~13. **Notice.** All notices pursuant to this Agreement shall be in writing and delivered by certified or registered mail, by reputable commercial delivery service, or by telecopy (with a confirmation copy mailed, postage prepaid). Until changed by written notice to the other party, notices to each party must be addressed as follows:~~

~~Notices to Payee: THE MAIDS International, LLC
9394 West Dodge Road, Suite 140
Omaha, NE 68114~~

~~With a copy to: Lathrop GPM
80 South 8th Street
IDS Tower 500
Minneapolis, MN 55402
Attn: John Fitzgerald~~

~~Notices to Maker:~~

~~14. **Jurisdiction and Venue.** It is hereby agreed that any and all claims, disputes or controversies whatsoever arising from or in connection with this Note, shall be commenced, filed and litigated, if at all, in the judicial district in which Omaha, Nebraska, is located, unless the conduct of such litigation is not within the subject matter jurisdiction of the court of such district. The parties waive all~~

questions of personal jurisdiction, convenience of forum and venue for purposes of carrying out this provision.

~~15. Jury Trial Waiver.~~

~~MAKER AND PAYEE IRREVOCABLY WAIVE TRIAL BY JURY, REGARDLESS OF THE FORUM, IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER OF THEM AGAINST THE OTHER ARISING FROM, WHETHER DIRECTLY OR INDIRECTLY, THIS NOTE.~~

~~16. Governing Law. In order to effect uniform interpretation of this Note, this Note and all disputes or controversies arising or related hereto shall be interpreted and construed under the laws of the State of Nebraska. In the event of any conflict of law question, the law of Nebraska shall prevail, without regard to the application of Nebraska conflict of law rules.~~

~~17. Amount Owed. The records of Payee or other holder of this Note shall be prima facie evidence of the amount owing on this Note.~~

~~18. Release. In consideration of the credit given to the Maker as evidenced by this Note, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the undersigned, for himself and his agents, employees, representatives, associates, heirs, successors and assigns (collectively the "Franchisee Entities"), does hereby fully and finally release and forever discharge the Payee ("TMI"), and its officers, shareholders, directors, agents, employees, representatives, associates, successors and assigns (collectively, the "TMI Entities") of and from any and all actions and causes of action, suits, claims, demands, damages, judgments, accounts, agreements, covenants, debts, levies and executions, including without limitation attorneys' fees, whatsoever, whether known or unknown, liquidated or unliquidated, fixed, contingent, direct or indirect, whether at law or in equity, which the Franchisee Entities, or any one or more of them, have had, now have or may in the future have against the TMI Entities, or any one or more of them, arising out of, in connection with or relating in any way to that certain franchise agreement between the undersigned and TMI, dated _____, 20____ (the "Franchise Agreement") or any other agreement between the undersigned and TMI, including but not limited to, any actions for fraud or misrepresentation, violation of any franchise laws, violation of any state or federal antitrust or securities laws, or violation of any common law, from the beginning time to the date of this Note; provided, however, specifically excluded from the release provisions of this Note shall be all obligations of TMI under the Franchise Agreement first accruing on and after the date hereof.~~

~~Washington Residents: This release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.~~

~~IN WITNESS WHEREOF, Maker has made, executed and delivered this Note effective as of the date first above written.~~

MAKER

By: _____

Name: _____

Title: _____

SECURITY AGREEMENT

~~THIS AGREEMENT~~ is made and entered into on _____, 20____ by and between _____ (“Debtor”), of _____ and The Maids International, LLC, a Nebraska limited liability company with its principal place of business at 9394 West Dodge Road, Suite 140, Omaha, NE 68114 (“Secured Party”).

~~1. Definitions.~~ As used in this Agreement, the following terms shall have the meanings indicated below:

~~1.1 “Code” shall mean the Uniform Commercial Code of the State of Nebraska, as the same may from time to time may be in effect.~~

~~1.2 “Collateral” shall mean the following, whether now owned or existing or hereafter acquired or arising: (a) all of Debtor’s accounts, contract rights and general intangibles, including, without limitation, all Franchise Rights; (b) all accounts, revenue and rights to payment arising from Debtor’s household maintenance and cleaning service business; (c) all of Debtor’s securities, certificates of deposit and deposit accounts; (d) all of Debtor’s goods, fixtures, furniture, vehicles, computer hardware and software, equipment, and inventory; (e) all of Debtor’s chattel paper, instruments, documents, and other property used or useful in the ownership, maintenance and operation of the business conducted by Debtor pursuant to any agreements between Debtor and Secured Party; and (f) to the extent not otherwise included, all proceeds of any of the foregoing.~~

~~1.3 “Franchise Rights” shall mean the following: (a) certain contractual rights granted Secured Party pursuant to the following THE MAIDS International, LLC Franchise Agreements, including without limitation, any rights to be a franchisee and any value in being a franchisee under those agreements.~~

Franchisee _____ Date of Franchise Agreement _____

_____, 20____
Name

Address

~~(b) any other THE MAIDS International, LLC Franchise Agreement(s) in addition to the agreements described above; and (c) any rights to receive certain monies not yet earned that Secured Party may have pursuant to the above agreements and any additional franchise agreements between Debtor and Secured Party.~~

~~1.4 “Obligations” shall mean any and all liabilities, obligations and indebtedness of Debtor to Secured Party arising under or evidenced by the Promissory Note dated _____, 20____, in the original principal amount of _____ (\$ _____), the Franchise Agreement(s) described in Section 1.3 herein, or any other agreement between Debtor and Secured Party, and all other liabilities, obligations and indebtedness of Debtor to Secured Party of every kind and description, now existing or hereafter incurred or arising, matured or unmatured, direct or indirect, absolute or contingent, due or to~~

become due, and any renewals, consolidations and extensions, including any future advances from Secured Party to Debtor.

——— 1.5 ——— “Proceeds” shall mean, with respect to property included in the Collateral: (i) any stock rights, rights to subscribe, liquidating dividends, dividends, stock dividends, dividends paid in stock or cash, new securities, or any other property which Debtor may hereafter become entitled to receive on account of such property; (ii) any proceeds in the form of accounts, collections, contract rights, documents, instruments, chattel paper or general intangibles relating in whole or in part to such property; and (iii) any other property constituting proceeds within the meaning of the Code.

——— 2. ——— Grant of Security Interest. To secure the prompt payment and performance of the Obligations, the Debtor assigns for collateral purposes and grants to Secured Party a first and priority security interest in the Collateral.

——— 3. ——— Representations and Warranties. Debtor warrants and represents that there are no restrictions or prior rights granted in or to the Collateral and agrees not to grant any rights in the Collateral to any party during the term of this Agreement and that the security interest granted herein is and will remain a valid first, prior and perfected security interest.

——— 4. ——— Covenants.

——— 4.1 ——— Debtor agrees to execute and deliver such additional assignments, security agreements, financing statements and chattel mortgages as Secured Party shall reasonably request to render the collateral assignment and security interest granted hereby a valid, first prior and perfected collateral assignment and security interest in the Collateral.

——— 4.2 ——— Debtor shall, at its own cost and expense, maintain satisfactory and complete records of the Collateral and mark its books and records to reflect the collateral assignment and security interest granted hereby.

——— 4.3 ——— Debtor shall not mortgage, assign, pledge or otherwise encumber any of the Collateral without prior written consent of Secured Party, which shall not be unreasonably withheld.

——— 4.4 ——— Debtor agrees to indemnify and defend Secured Party against any claims of interest or assertions of priority against the Collateral.

——— 5. ——— Default. An “Event of Default” shall be deemed to have occurred in the event that: (a) any installment of principal or interest due hereunder is not paid after becoming due and payable; or (b) any default by Debtor occurs in the performance of the covenants, obligations or other provisions under the Franchise Agreements set forth in Section 1.3 herein (the “Franchise Agreement(s)”), or any other agreement between Debtor (or its affiliates) and Secured Party; or (c) any representation or warranty of the Debtor set forth in the Franchise Agreement(s), or any other agreement between Debtor and Secured Party proves to have been incorrect in any material respect; or (d) Debtor becomes subject to any bankruptcy, insolvency or debtor relief proceedings; or (e) Debtor fails to comply with or perform any provision of this Note not constituting a default under the previous items of this paragraph and such failure continues for fifteen (15) days after notice thereof to Debtor; or (f) a default occurs causing the acceleration of any material obligation of Debtor to any other creditors; or (g) any guarantors of the Franchise Agreement(s) revokes or renounces his or her guaranty; or (h) the Franchise Agreement(s) is terminated by Debtor or by Secured Party or is declared terminated in any judicial proceeding.

~~6. Remedies Upon Events of Default. On an Event of Default, the Secured Party, at the Secured Party's option, may declare all obligations secured hereby immediately due and payable, and may proceed to enforce payment of the same, and exercise any and all of the rights and remedies provided by the Code, as well as all other rights and remedies possessed by Secured Party under law. The Secured Party may require the Debtor to assemble the Collateral and make the Collateral available to the Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties and agree to execute such documents as are necessary to transfer all interest in the Collateral to Secured Party. The expenses of retaking, holding, preparing for sale, selling and the like will include Secured Party's reasonable attorney's fees and legal expenses. If the amount of the Collateral is insufficient to cover any outstanding indebtedness of Debtor to Secured Party pursuant to this Agreement, plus any expenses associated with default thereon, then Debtor shall remain liable to the Secured Party for any deficiency, in accordance with applicable state law. Debtor agrees to pay all expenses and costs of collection, including all reasonable attorney's fees and expenses, court costs, costs of sale and costs of maintenance and repair and similar costs incurred by Secured Party in connection with the enforcement of the Note, the collection of any amounts payable hereunder, whether by acceleration or otherwise, and/or the sale or other disposition of the Collateral. If any notification of an intended disposition of any of the Collateral is required by law, such notification shall be deemed reasonable and properly given if mailed by certified mail, return receipt requested, postage prepaid, or delivered by overnight courier, to the address of Maker stated in this Note, at least ten (10) days prior to such disposition.~~

~~7. General Provisions:~~

~~7.1 Notice. All notices pursuant to this Agreement shall be in writing and delivered by certified or registered mail, by reputable commercial delivery service, or by telecopy (with a confirmation copy mailed, postage prepaid). Until changed by written notice to the other party, notices to each party must be addressed as follows:~~

~~Notices to Secure Party: THE MAIDS International, LLC
9394 West Dodge Road, Suite 140
Omaha, NE 68114~~

~~With a copy to: Lathrop GPM
80 South 8th Street
IDS Tower 500
Minneapolis, MN 55402
Attn: John Fitzgerald~~

~~Notices to Debtor:~~

~~_____~~

~~_____~~

~~_____~~

~~_____~~

~~7.2 Entire Agreement. This Agreement and the documents referred to herein constitute the entire Agreement between Secured Party and Debtor concerning the subject matter hereof and supersede all prior agreements, negotiations, representations, and correspondence concerning the same subject matter.~~

~~7.3 Jurisdiction and Venue. It is hereby agreed that any and all claims, disputes or controversies whatsoever arising from or in connection with this Agreement shall be commenced, filed and litigated in the judicial district in which Omaha, Nebraska, is located, unless the conduct of such litigation is not within the subject matter jurisdiction of the court of such district. The parties waive all questions of personal jurisdiction, convenience of forum and venue for purposes of carrying out this provision.~~

~~7.4 Jury Trial Waiver. DEBTOR AND SECURED PARTY IRREVOCABLY WAIVE TRIAL BY JURY, REGARDLESS OF THE FORUM, IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER OF THEM AGAINST THE OTHER IN CONNECTION WITH THIS AGREEMENT.~~

~~7.5 Governing Law. In order to effect uniform interpretation of the Agreement, this Agreement and all disputes or controversies arising or related hereto shall be interpreted and construed under the laws of the State of Nebraska. In the event of any conflict of law question, the law of Nebraska shall prevail, without regard to the application of Nebraska conflict of law rules.~~

~~IN WITNESS WHEREOF, the parties have executed this Agreement effective the date and year first above written.~~

“SECURED PARTY”

THE MAIDS International, LLC

By: _____

Name: _____

Title: _____

“DEBTOR”

By: _____

Name: _____

Title: _____

~~EXHIBIT H~~

AGREEMENTS TO BE SIGNED BY THE FRANCHISEE AND/OR ITS MANAGER

The following are copies of Agreements and forms THE MAIDS International, LLC requires Franchise Owners and/or Managers to sign:

AGREEMENT/FORM	SIGNED BY
Franchise Questionnaire	Franchise Owner
Telephone Listing Agreement	Franchise Owner
Assignment of Domain Name and E-Mail Address	Franchise Owner
Authorization of Electronic Transfer of Funds	Franchise Owner
Manual Sign-Off Agreement	Franchise Owner
Model Release	Franchise Owner Manager
TMI Confidentiality / Nondisclosure Agreement	Franchise Owner

FRANCHISE QUESTIONNAIRE

This Questionnaire does not apply to franchises who intend to operate the franchised business in the State of California

As you know, The Maids International, LLC (the “Franchisor”) and you are preparing to enter into a Franchise Agreement for the operation of a The Maids® franchised business (the “Franchise”). Please review each of the following questions carefully and provide honest responses to each question.

QUESTION	YES	NO
1. Have you received the Franchisor’s Franchise Disclosure Document at least 14 days before signing the Franchise Agreement?		
2. Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?		
3. Did you personally review the Franchise Disclosure Document and do you understand all of the information contained in the Franchise Disclosure Document?		
4. Have you received and personally reviewed the Franchise Agreement and each exhibit or schedule attached to it?		
5. If Franchisor materially altered the provisions of the basic Franchise Agreement or any related agreements attached to the Franchise Disclosure Document (except as a result of negotiations you initiated) before you signed the Franchise Agreement did you receive a copy of the revised Franchise Agreement at least seven days prior to signing the Franchise Agreement?		
6. Do you understand the terms of and your obligations under the Franchise Agreement?		
7. Have you discussed the benefits and risks of operating the Franchise with an attorney, accountant or other professional advisor?		
8. Do you understand the risks associated with operating the Franchise?		
9. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the Franchise that is contrary to or different from, the information contained in the Franchise Disclosure Document?		
10. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchise will generate that is contrary to, or different from, the information contained in the Franchise Disclosure Document?		

QUESTION	YES	NO
11. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the costs involved in operating the Franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document?		
12. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual, average or projected profits or earnings or the likelihood of success that you should or might expect to achieve from operating the Franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document?		
13. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, market penetration, training, support service or assistance relating to the Franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document?		

If you answered "Yes" to any of questions nine (9) through thirteen (13), please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of the foregoing questions, please leave the following lines blank.

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

You understand that your answers are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

FRANCHISE APPLICANT

FRANCHISE APPLICANT

Date: _____

Date: _____

Do not sign this Questionnaire if you are a resident of Maryland, or the business is to be operated

in Maryland.

Do not sign this Questionnaire if you are a Hawaii resident, or the franchise is to be located in Hawaii.

Do not sign this Questionnaire if you are a Washington resident, or the franchise is to be located in Washington.

THE MAIDS INTERNATIONAL, LLC

TELEPHONE LISTING AGREEMENT

Between

The Maids International, LLC

And

_____, 20____

In accordance with the terms of the Franchise Agreement between _____ (“Franchisee”) and The Maids International, LLC (“TMI”), a Nebraska limited liability company, executed concurrently with this Assignment, under which TMI granted Franchisee the right to own and operate a franchised business located in _____ County, _____ (the “Franchised Business”), Franchisee, for value received, hereby assigns to TMI all of Franchisee’s right, title, and interest in and to those certain telephone numbers and regular, classified, or other telephone directory listings (collectively, the “Telephone Numbers and Listings”) associated with TMI trade and service marks and used from time to time in connection with the operation of the Franchised Business. This assignment is for collateral purposes only and, except as specified herein, TMI will have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment unless TMI notifies the telephone company and all listing agencies (collectively, the “Telephone Company”) pursuant to the terms hereof to effectuate the assignment.

Upon termination or expiration of the Franchise Agreement (without renewal or extension), TMI will have the right and is hereby empowered to effectuate the assignment of the Telephone Numbers and Listings, and, in such event, Franchisee will have no further right, title, or interest in the Telephone Numbers and Listings and will remain liable to the Telephone Company for all past due fees owing to the Telephone Company on or before the effective date of the assignment hereunder.

Franchisee agrees and acknowledges that as between TMI and Franchisee, upon termination or expiration of the Franchise Agreement, TMI will have the sole right to and interest in the Telephone Numbers and Listings, and Franchisee appoints TMI as Franchisee’s true and lawful attorney-in-fact to direct the Telephone Company to assign same to TMI, and execute such documents and take such actions as may be necessary to effectuate the assignment. Upon such event, Franchisee will immediately notify the Telephone Company to assign the Telephone Numbers and Listings to TMI. If Franchisee fails to promptly direct the Telephone Company to assign the Telephone Numbers and Listings to TMI, TMI will direct the Telephone Company to effectuate the assignment, contemplated hereunder, to TMI. The parties agree that the Telephone Company may accept written direction from TMI, or this Assignment, as conclusive proof of TMI’s

exclusive rights in and to the Telephone Numbers and Listings upon such termination or expiration. The parties further agree that if the Telephone Company requires that the parties execute the Telephone Company's assignment forms or other documentation at the time of termination or expiration, TMI's execution of such forms or documentation will effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof, they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement.

FRANCHISEE

By: _____ Date: _____

Its: _____

By: _____ Date: _____

Its: _____

ASSIGNEE

THE MAIDS INTERNATIONAL, LLC,
a Nebraska limited liability company

By: _____ Date: _____

Its: _____

THE MAIDS INTERNATIONAL, LLC

ASSIGNMENT OF DOMAIN NAME AND E-MAIL ADDRESS

The undersigned, _____, d/b/a The Maids®, hereby assigns to The Maids International, LLC (“TMI”), 9394 West Dodge Road, Suite 140, Omaha, NE 68114, all of my (our) right, title, and interest in and to the following domain names and e-mail addresses:

_____, _____
_____, _____

TMI will hold this assignment until the earlier of the time (a) TMI notifies the undersigned that the undersigned (or any affiliate of the undersigned) is in default under any Franchise Agreement or any other agreement with TMI (or any affiliate of TMI) or (b) such Franchise Agreement expires or is terminated. The undersigned agrees to pay all amounts, whether due and payable or not, that any domain name registry or internet service provider may require in connection with such transfer or otherwise and agrees to indemnify and hold harmless _____ (“Registry”) and _____ (“ISP”) and TMI in connection with this and any other assignment and any other matters and/or disputes related in any way thereto.

The Registry and the ISP are requested to honor this Assignment upon notice by TMI that the undersigned (or any affiliate of the undersigned) is in default under such Franchise Agreement or any other agreement with TMI (or any affiliate of TMI) or such Franchise Agreement has expired or is or was terminated.

On transfer to TMI, TMI may continue the monthly (periodic) service with said Registry and ISP or cancel the same, but shall not be obligated or liable for any arrears or charges for domain name registration or internet service or otherwise prior to such transfer, the undersigned specifically agreeing to remain liable for any such charges.

Dated: _____

(Signature)

(Signature)

(Print or Type Name)

(Print or Type Name)

|

THE MAIDS INTERNATIONAL, LLC

Authorization Electronic Transfer of Funds

Company

Name: The Maids International, LLC

Company ID

Number: _____

I (we) hereby authorize The Maids International, LLC. ("TMI") to initiate debit entries and to initiate, if necessary, credit entries and adjustments for any debit entries and to initiate, if necessary, credit entries and adjustments for any debit entries in error to my (our) _____ Checking _____ Savings account (select one) indicated below. I (we) further authorize the depository named below (the "DEPOSITORY") to debit and/or credit the same to such account.

DEPOSITORY

Name: _____

Branch: _____

Address: _____

City: _____ State: _____ Zip: _____

Transit/ABA No.: _____ Account No.: _____

This authority is to remain in full force and effect until TMI has received written notification from me (or either of us) of its termination in such time and in such manner as to afford TMI reasonable opportunity to act on it. I (or either of us) have the right to stop payment of debit entry by notification to DEPOSITORY at such time as to afford DEPOSITORY a reasonable opportunity to act on it prior to charging such account. After such account has been charged, I have the right to have the amount of erroneous debit immediately credited to my account by DEPOSITORY, provided I (we) send written notice of such debit entry in error to DEPOSITORY within fifteen (15) days following issuance of the account statement or forty-five (45) days after posting, whichever occurs first.

Name(s): _____

ID Number: _____

Date: _____

Signed: _____

Signed: _____

|

THE MAIDS INTERNATIONAL, LLC

Video and Manual Sign off Agreement

All The Maids® proprietary documents, manuals and video programs, electronic or hard copy are copyrighted and confidential material and shall not be copied, reproduced, or disclosed in any manner or form without expressed written permission from The Maids International, LLC

Items included, but not limited to:

- All documents and discussions found on TMI's Jostle.
- All manuals found on TMI's Online Learning Platform, including Administrative, Technical, TM Connect and Marketing manuals.
- Video programs found on TMI's Online Learning Platform. Access to the proprietary website outside of The Maids® office is not recommended. Additionally, passwords should not be provided to the employees.

All learning materials are the property of The Maids International, LLC and any available copies must be returned to The Maids International upon termination of the franchise agreement. Please fill in the information requested below and return the original to the home office. Retain a copy for your files.

Training date

Franchise number

Name

Signature

Date

Location

THE MAIDS INTERNATIONAL, LLC

MODEL RELEASE

Date _____

NAME OF MODEL

ADDRESS

TELEPHONE NUMBER

I hereby give The Maids International, its successors and assigns those acting under its permission and upon its authority, or those for whom it is acting, the absolute right and permission to copyright and/or publish photographic portraits or motion pictures of me or in which I may be included in whole or in part, or composite or distorted in character, or in form, in conjunction with my own or a fictitious name, or reproductions thereof in color or otherwise, made through any media at their studios or elsewhere for art, advertising, trade, or any other lawful purpose whatsoever.

I hereby waive any right that I may have to inspect and/or approve the finished product or the advertising copy that may be used in connection therewith or the use to which it may be applied.

I hereby release, discharge, and agree to save harmless The Maids International, its successors and assigns and all persons acting under the permission or authority or those for whom it is acting, from any liability by virtue of blurring, distortion, alteration, optical illusion, or use in composite form whether intentional or otherwise, that may occur or be produced in the finished product, unless it can be shown that they and the publication thereof were maliciously caused, produced and published solely for the purpose of subjecting me to conspicuous ridicule, scandal, reproach, scorn, and indignity.

I hereby waive release, discharge, and agree to save harmless The Maids International, its successors and assign and all other persons acting under their permission or authority or these for whom it is acting from any claim for residuals or other multiple compensation for repeated showings of photographic portraits or motion pictures of me.

I hereby warrant that I am of full age and have every right to contract in my own name in the above regard. I state further that I have read the above authorization and release, prior to its execution, and that I am fully familiar with its contents.

MODEL SIGNATURE _____

I, the undersigned, being the parent or guardian of the above Model, do hereby for a valuable consideration consent and release and signature thereto on behalf of my child or ward.

PARENT OR GUARDIAN _____

|

The Maids

CONFIDENTIALITY/NONDISCLOSURE AGREEMENT

I acknowledge and agree that The Maids International, LLC (“Company”), is engaged in a highly competitive industry of professional residential cleaning service. I further acknowledge and agree that Company has invested substantial time, effort and money in the development of its trade secrets, business methods and procedures, employees, customers and other confidential and proprietary information defined below as “Confidential Information” which has enabled Company to compete successfully in its business, and the disclosure of such information would be greatly damaging to Company and the continued success of its business.

Therefore, in order to protect Company from the misappropriation of its Confidential Information and to allow me to receive and use the Confidential Information, I agree as follows:

Confidential Information. For purposes of this Agreement, “Confidential Information” is defined as trade secrets and all internal business information which is proprietary in nature, confidential to Company, and not generally available to the public or to Company’s competitors. Such Confidential Information includes, without limitation, information about Company’s products and services, customers and prospective customers, the buying patterns and needs of customers and prospective customers, vendors and suppliers, pricing, costing systems, billing and collection procedures, proprietary software and the source code thereof, financial and accounting data, data processing and communications, technical data, marketing strategies, business plans, research and development of new or improved products and services, and general know-how regarding the business of Company and its products and services (collectively “Confidential Information”).

Nondisclosure. Both during and after my employment with Company, I will not directly or indirectly disclose to any person or entity or use for any purpose or permit the exploitation, copying or summarizing of any Confidential Information of Company, except as specifically required in the proper performance of my duties for Company.

Return of Property. I acknowledge and agree that the Confidential Information is and at all times shall remain the sole and exclusive property of Company. Upon the termination of my employment with Company or upon request by Company at any time, I will promptly return to Company in good condition all documents, data and records of any kind, whether in hard copy or electronic form, which contain any Confidential Information or which were prepared based on Confidential Information, including any and all copies thereof, as well as all materials furnished to or acquired by me during the course of my employment with Company.

Enforcement. I acknowledge and agree that, by reason of the sensitive nature of the Confidential Information of Company referred to in this Agreement, a breach of any of the promises or agreements contained herein will result in irreparable and continuing damage to Company for which there may not be an adequate remedy at law. As such, I acknowledge and agree that, in addition to the recovery of any damages and other legal relief to which Company may be entitled in the event of my violation of this Agreement, Company shall also be entitled to equitable relief, including such injunctive relief as may be necessary to protect the interests of Company in such Confidential Information and as may be necessary to specifically enforce this Agreement.

Dated: _____

Franchisee _____

Franchisee _____

|

EXHIBIT H

THE MAIDS® CONFIDENTIAL SYSTEM

THE MAIDS® CONFIDENTIAL SYSTEM

All print, online, and digital learning materials are the property of The Maids International, LLC Websites and passwords must be protected. Paper, video, and any media items including online content, are loaned during the period of the Franchise Agreement and must be returned at the expiration, termination or transfer of the Franchise Agreement. They constitute the body of knowledge referred to as The Maids® Business System in the Franchise Agreement.

ONLINE MANUALS, VIDEOS AND OTHER MATERIALS

Description	Hard Copy Quantity	Online	English Version	Spanish Version	Received
Administration Guide		X	X		
Technical Guide		X	X		
Marketing Manual		X	X		
TMConnect (Business Software) Manual		X	X		
The Maids Planning System	1		X		
Safety Resources Manual		X	X		
Laminated Function Sheets*	4		X	X	
Training Handbook*	2	X	X	X	
Additional Home Services Manual	1	X	X		
Cleaning Function Videos					
Kitchen*		X	X	X	
Bathroom*		X	X	X	
Dusting*		X	X	X	
Vacuum*		X	X	X	
Orientation*		X	X	X	
Team Leader*		X	X	X	

Each of the items listed above are copyrighted materials owned by The Maids International, LLC

You will receive the stated quantity of this item in both English and Spanish versions where available.

EXHIBIT II

ONLINE OPERATIONS MANUAL TABLE OF CONTENTS

OPERATIONS MANUALS

Each section of the following Online Operations Manuals will be provided as a separate electronic page, or series of pages, that may vary in size and number depending on the settings you select on your computer. As such, the number of pages in each section of the Operations Manual is an estimate.

<u>SECTION OF OPERATIONS MANUAL</u>	<u>NUMBER OF PAGES PER SECTION</u>
ONLINE ADMINISTRATION GUIDE	236
ONLINE TECHNICAL GUIDE	430
ONLINE ADDITIONAL SERVICES	173
ONLINE SAFETY MANUAL	152
ONLINE MARKETING MANUAL	97
VENDOR RESOURCE GUIDE	4
TOTAL _____ <u>NUMBER OF PAGES</u>	1,167

The following manuals are currently provided as hard copies.

TRAINING GUIDES	
SAFETY MANUAL	
TEAM LEADER NOTEBOOK	
TOTAL NUMBER OF PAGES	53

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EXHIBIT ~~K~~J

STATE ADMINISTRATOR AND AGENTS FOR SERVICE OF PROCESS

**STATE AGENCIES AND
AGENTS FOR SERVICE OF PROCESS**

Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-1105
(213) 576-7500

Department of Agricultural and Consumer Services
Division of Consumer Services
227 N. Bronough Street
City Central Building, Suite 7200
Tallahassee, Florida 32301
(850) 922-2770

Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

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

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

Office of the Attorney General
Consumer Protection Division
P.O. Box 2000
Frankfort, Kentucky 40602
(502) 573-2200

Maryland Securities Commissioner
(Agent to Receive Service)
Division of Securities
200 St. Paul Place
Baltimore, Maryland 21202-2020

Maryland Office of the Attorney General
(State Authority)
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

Michigan Attorney General's Office
Consumer Protection Division
ATTN: Antitrust and Franchise Unit
670 Law Building
Lansing, Michigan 48913
(517) 373-7117

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

Nebraska Department of Banking and Finance
1200 North Street, Suite 311
P.O. Box 95006
Lincoln, Nebraska 68509-5006
(402) 471-3445

Administrator:
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236

Agent for Service:
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001
(518) 473-2492

Office of Securities Commissioner
600 East Boulevard, Fifth Floor, Dept. 414
Bismarck, North Dakota 58505
(701) 328-4712

Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4140

Director, Department of Business Regulation
Securities Division
1511 Pontiac Avenue
John O. Pastore Complex – Building 68-2
Providence, Rhode Island 02903-4232
(401) 222-3048

Department of Labor and Regulation
Division of Insurance – Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-4823

Statutory Document Section
Secretary of State
P.O. Box 12887
Austin, Texas 78711
(512) 475-1769

Division of Consumer Protection
Utah Department of Commerce
P.O. Box 45804
Salt Lake City, Utah 84145-0804
(801) 530-6601

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

Clerk of the State Corporation Commission (Agent)
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

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

Department of Financial Institutions
Division of Securities
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-3431

EXHIBIT ~~L~~K

STATE ADDENDA

**ADDENDUM TO THE MAIDS®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA**

The following information applies to franchises and Franchisees subject to California statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

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 FRANCHISE DISCLOSURE DOCUMENT.

Item 3

In addition to the information required by Item 3, neither the Franchisor, any person or franchisor broker in Item 2 of the Franchise 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 such association or exchange.

Item 6

The highest interest rate allowed by law in California is 10% annually.

Item 17

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the offering circular.

California Business and Professions Code sections 20000 through 20043 provides 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 upon 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 which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, and Code of Civil Procedure Section 1281, ~~and the Federal Arbitration Act~~) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The franchise agreement requires the application of the laws of the state where the Business is located. This provision may not be enforceable under California law.

Section 31125 of the California Corporations Code requires us to give you a disclosure document,

in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Franchisee is not required to sign ~~Exhibit H to the FDD~~, the Franchisee Questionnaire, included in Exhibit G to the FDD.

**ADDENDUM TO THE MAIDS®
FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA**

To the extent the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516 or the California Franchise Relations Act, Cal. Bus. & Prof. Code §§20000-20043 applies, the terms of this Addendum apply.

Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the offering circular.

California Business and Professions Code sections 20000 through 20043 provides 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 upon 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 which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, and Code of Civil Procedure Section 1281, ~~and the Federal Arbitration Act~~) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The franchise agreement requires the application of the laws of the state where the Business is located. This provision may not be enforceable under California law.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

Section 23.1 and 23.2 of the franchise agreement are deleted.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Initials:

TMI: _____

FRANCHISEE: _____

**ADDENDUM TO THE MAIDS®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF HAWAII**

The following information applies to franchises and Franchisees subject to Hawaii statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Cover Page

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE. THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Item 4 of the section captioned “Special Risks to Consider About *This* Franchise” is amended to state as follows:

Financial Condition. The Franchisor’s financial statements (see Item 21) indicate that the Franchisor’s liabilities exceed its assets. The Franchisor’s financial condition as reflected in its financial statements calls into question the Franchisor’s financial ability to provide services and support to you.

Item 7:

Payment of the Initial ~~Territory~~Franchise Fees will be deferred until we have met our pre-opening obligations to you, and you have commenced doing business. This financial assurance requirement was imposed by Hawaii’s Department of Commerce and Consumer Affairs due to our financial condition.

**ADDENDUM TO THE MAIDS®
FRANCHISE AGREEMENT
FOR THE STATE OF HAWAII**

This Addendum pertains to franchises sold in the state of Hawaii and is for the purpose of complying with Hawaii statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Payment of the Initial ~~Territory~~Franchise Fees will be deferred until we have met our pre-opening obligations to you, and you have commenced doing business. This financial assurance requirement was imposed by Hawaii's Department of Commerce and Consumer Affairs due to our financial condition.

Initials:

TMI: _____

FRANCHISEE: _____

**ADDENDUM TO THE MAIDS®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS**

The following information applies to franchises and Franchisees subject to Illinois statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Item 7 is updated to include the following: Based on our experience operating Company Stores, we estimate that the typical annual costs for supplies will range from \$16,000 to \$20,000 per year.

Illinois law shall govern the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. ~~However, a franchise agreement may provide for arbitration to take place outside of Illinois.~~

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, 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.

Payment of the Initial Franchise Fees will be deferred until we have met our pre-opening obligations to you, and you have commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to our financial condition.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO THE MAIDS®
FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS**

This Addendum pertains to franchises licensed in the State of Illinois and is for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

Illinois law shall govern the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. ~~However, a franchise agreement may provide for arbitration to take place outside of Illinois.~~

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, 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.

Payment of the Initial Franchise Fee will be deferred until we have met our pre-opening obligations to you, and you have commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to our financial condition.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

In the Presence of:

THE MAIDS INTERNATIONAL, LLC

By: _____

Its: _____

In the Presence of:

“Franchisee”

|

**ADDENDUM TO THE MAIDS®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND**

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Disclosure Document in connection with the offer and sale of franchises for use in the State of Maryland, shall be amended to include the following:

1. The Summary section of Item 17(c) and (m) of the Disclosure Document captioned “Requirements for franchisee to renew or extend” and “Conditions for franchisor approval of transfer,” are amended by adding the following:

Any general releases you sign will not apply to the extent prohibited by the Maryland Franchise Registration and Disclosure Law.

2. The “Summary” section of Item 17(h) of the Disclosure Document, captioned “Cause’ defined – non-curable defaults” is amended by adding the following:

The Franchise Agreement provides for termination upon your insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

3. The “Summary” section of Item 17(v) of the Disclosure Document, captioned “Choice of Forum,” is amended to read as follows:

Litigation generally must be in Douglas County, Nebraska, although you may commence a lawsuit against us in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. The following is added to the end of the Item 17 chart:

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

5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

6. Item 5 of the Disclosure Document is amended to provide:

Based upon the franchisor’s financial conditions, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

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**ADDENDUM TO THE MAIDS®
FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND**

This Addendum pertains to franchises sold in the State of Maryland and is for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability 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;
2. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise;
3. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law; and
4. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, assignment or transfer of this Agreement shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
6. Any terms not defined in this Addendum will have the meaning assigned in the Franchise Agreement.
7. Based upon the franchisor's financial conditions, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.
8. Article 23 of the franchise agreement is deleted.

[Signatures appear on the following page]

Witness:

Witness:

“TMI”

THE MAIDS INTERNATIONAL, LLC

By: _____

Its: _____

“Franchisee”

**ADDENDUM TO THE MAIDS®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA**

The following information applies to franchises and Franchisees subject to Minnesota statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Item 5

Payment of the initial franchise fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

Item 7

Payment of the initial franchise fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

Item 17

With respect to franchises governed by Minnesota law, TMI will comply with Minn. Stat. Sec. 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' notice for nonrenewal of the franchise agreement.

Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J). Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

**ADDENDUM TO THE MAIDS®
FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA**

This Addendum pertains to franchises sold in the State of Minnesota and is for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Article 2 of this Agreement will be amended to provide that, except in certain circumstances specified by law, TMI must provide the FRANCHISEE with at least one hundred eighty (180) days prior written notice of nonrenewal of the franchise;

2. Article 16.2 will be amended to require that, except as set forth in Article 16.5 and 16.6, in the event TMI gives the FRANCHISEE written notice that the FRANCHISEE has breached this Agreement, such written notice will be given to the FRANCHISEE at least ninety (90) days prior to the date this Agreement is terminated by TMI, and the FRANCHISEE will have sixty (60) days after having been given such written notice within which to correct the breach specified in the written notice; and

3. Notwithstanding any provisions of this Agreement to the contrary, a court of competent jurisdiction will determine whether TMI will be required to post a bond or other security, and the amount of such bond or other security, in any injunctive proceeding commenced by TMI against the FRANCHISEE or the FRANCHISEE's shareholders.

4. Payment of the initial franchise fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

Initials:

TMI: _____

FRANCHISEE: _____

**ADDENDUM TO THE MAIDS®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK**

The following information applies to franchises and Franchisees subject to New York statutes and regulations: The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Cover Page.

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, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. 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..

Item 3.

Other than the litigation disclosed in Item 3 of the Franchise Disclosure Document, neither TMI, its affiliates nor any person identified in Item 2 of this Franchise Disclosure Document:

A. 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. 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. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-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. 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.

Item 4.

Neither TMI, its affiliates, its predecessor, officers or general partner during the 10-year period preceding the date of this Franchise Disclosure Document: (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 one year after the officer of franchisor held this position in the company.

Item 5.

The Initial ~~Territory~~Franchise Fee constitutes part of our general operating funds and will be used such in our discretion.

Item 17, c. and Item 17, m

The Summary column of Item 17, Section c and Section m are hereby amended to state as follows:

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 provision that the non-waiver provisions of the General Business Law Sections 687.4 and 687.5 be satisfied.

Item 17, d.

The Summary column of Item 17, Section d is hereby amended to state as follows:

You may terminate the Franchise Agreement on any grounds available by law.

Item 17, j.

The Summary column of Item 17, Section j is hereby amended to state as follows:

There is no restriction on TMI's right to assign the Franchise Agreement. However, no assignment will be made by TMI except to an assignee that, in TMI's good faith judgment, is willing and able to assume TMI's obligations under the Franchise Agreement.

Item 17, v. and Item 17, w

The Summary column of Item 17, Section v and Section w are hereby amended to state as follows:

The foregoing choice of law should not be construed 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.

**ADDENDUM TO THE MAIDS®
FRANCHISE AGREEMENT
FOR THE STATE OF NEW YORK**

This Addendum pertains to franchises sold in the State of New York and is for the purpose of complying with New York statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Article 15.1 will be amended to reflect that TMI may not assign this Agreement unless in its reasonable judgment the assignee is able to perform TMI's obligations under this Agreement.

Initials:

TMI: _____

FRANCHISEE: _____

**ADDENDUM TO THE MAIDS®
FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA**

This Addendum pertains to franchises sold in the State of North Dakota and is for the purpose of complying with North Dakota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Article 16.7 is hereby amended to add the following sentence at the end of Article 16.7: “Notwithstanding anything to contrary in this Agreement, in no event shall the Franchisee be deemed to consent to Franchisor’s recovery of liquidated damages.”

2. Article 18.2(B) reading “upon termination for any default, the actual and consequential damages, costs, and expenses (including attorneys’ fees and experts’ fess) incurred by TMI as a result of your default” is hereby stricken.

3. The covenant not to compete upon termination or expiration of this Agreement contained in Article 19.3 may be unenforceable, except in certain circumstances provided by law.

4. Article 21.2 is hereby stricken and replaced with the following: “The prevailing party in any enforcement action shall be entitled to recover all costs and expenses, including attorney fees.”

5. Article 21.3 is hereby amended to add the following sentence: “Notwithstanding anything to contrary in this Agreement, in no event shall the Franchisee be deemed to consent the termination of this Agreement or to Franchisor’s recovery of liquidated damages.”

6. The consent by the FRANCHISEE to jurisdiction and venue in Douglas County, Nebraska contained in Article 24.7 may be inapplicable; provided, however, that such inapplicability in the State of North Dakota will not be construed to mean that venue in Douglas County, Nebraska is improper, or that the Franchisee and its officers, directors, partners, members and shareholders are not subject to jurisdiction in Douglas County, Nebraska, or in any other state.

7. TMI will defer collection of initial fees until all initial obligations owed to FRANCHISEE under the franchise agreement or other documents have been fulfilled by TMI and FRANCHISEE has commenced doing business pursuant to the Franchise Agreement.

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Initials:

TMI: _____

FRANCHISEE: _____

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**ADDENDUM TO THE MAIDS®
FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND**

This Addendum pertains to franchises sold in the State of Rhode Island and is for the purpose of complying with Rhode Island statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Any provision of this Agreement which restricts jurisdiction or venue to a forum outside the State of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

Initials:

TMI: _____

FRANCHISEE: _____

**ADDENDUM TO THE MAIDS®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA**

The following information applies to franchises and Franchisees subject to Virginia statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Item 17(h)

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor under the franchise agreement until the franchisor has completed its pre-opening obligation under the franchise agreement.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO THE MAIDS®
FRANCHISE AGREEMENT
FOR THE STATE OF VIRGINIA**

This Addendum pertains to franchises sold in the Commonwealth of Virginia and is for the purpose of complying with Virginia statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor under the franchisor has completed its pre-opening obligation under the franchise agreement.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Initials:

TMI: _____

FRANCHISEE: _____

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AND RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. Conflict of Laws. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. Franchisee Bill of Rights. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. Site of ~~Arbitration, Mediation,~~ and/or Litigation. In any ~~arbitration or~~ mediation involving a franchise purchased in Washington, the ~~arbitration or~~ mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the ~~arbitration or~~ mediation, or as determined by the ~~arbitrator or~~ mediator at the time of ~~arbitration or~~ mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. General Release. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. Statute of Limitations and Waiver of Jury Trial. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. Transfer Fees. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. Termination by Franchisee. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. Certain Buy-Back Provisions. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. Fair and Reasonable Pricing. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. Franchisor's Business Judgement. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. Indemnification. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. Attorneys' Fees. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial ~~or arbitration~~ proceeding.

14. Noncompetition Covenants. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. Nonsolicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. Financial Assurance. In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____, 20____.

FRANCHISOR

FRANCHISEE

By: _____

By: _____

Name: _____

Name: _____

**ADDENDUM TO THE MAIDS®
FRANCHISE AGREEMENT
FOR THE STATE OF WISCONSIN**

This Addendum pertains to franchises sold in the State of Wisconsin and is for the purpose of complying with Wisconsin statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The provisions of the Wisconsin Fair Dealership Law, Wis. Stat. Chapter 135, will supersede any conflicting terms of this Agreement.

Initials:

TMI: _____

FRANCHISEE: _____

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EXHIBIT ML
FORM OF RELEASE OF CLAIMS

FORM OF AGREEMENT AND RELEASE

[THIS IS A FORM THAT IS SUBJECT TO CHANGE OVER TIME]

THIS AGREEMENT AND RELEASE (the "Agreement") is made and entered into this ____ day of _____, 20__, by and between The Maids International, LLC, a Nebraska limited liability company ("TMI") and _____ ("Franchisee").

WHEREAS, on _____, 20__, TMI and Franchisee entered into a franchise agreement (the "Franchise Agreement");

WHEREAS, Franchisee desires to [renew, sell, and assign/transfer] its rights under the Franchise Agreement; and

WHEREAS, the Franchise Agreement requires as a condition of [renewal, sale, and/or assignment/transfer] that Franchisee execute a general release in a form prescribed by TMI.

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

1. Release of TMI. To the full extent permitted by law, Franchisee hereby absolutely and forever discharges TMI, its predecessors, affiliates, agents, employees, successors, assigns, and their respective officers, directors, shareholders, heirs, executors and representatives from and against all claims, proceedings, demands, causes of action, rights to terminate and rescind, liabilities, losses, damages, and rights of every kind, whether known or unknown, accrued or unaccrued, at law or in equity (collectively, "Claims"), that Franchisee at any time has had or has up to and including the date of execution of this Agreement arising out of or relating to the offer or sale of the Franchise Agreement Franchisee hereby irrevocably covenants not assert any claim or to initiate any suit or proceeding based in whole or in part upon any Claims released hereunder. Notwithstanding anything in this Agreement to the contrary, this release shall not apply to any Claims arising under the Maryland Franchise Law.

2. Miscellaneous. This Agreement supersedes all prior proposals, promises, agreements and understandings made by the parties with respect to the matters herein resolved and settled. This Agreement is contractual and not a mere recital and it embodies the entire agreement and understanding between the parties concerning matters herein resolved and settled. Any amendment to, modification of, or supplement to this Agreement must be in writing and signed by all the parties. Each party acknowledges that it has had the opportunity to consult with legal counsel in connection with this Agreement if so desired, and that it has signed this Agreement freely and voluntarily. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

Washington Residents: This release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

WHEREFORE, the parties have executed this Agreement as of the date first set forth above.

The Maids International, LLC., a Nebraska
limited liability company

By:_____

Its:_____

Franchisee

EXHIBIT ~~N~~M

RECEIPTS

STATE EFFECTIVE DATES

The following states require that the 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 document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	January 23, 2025, as amended _____, 2025 Pending
Hawaii	January 28, 2025, as amended _____, 2025 Pending
Illinois	See Separate FDD Pending
Indiana	January 24, 2025, as amended April 23, 2025 Pending
Maryland	February 11, 2025, as amended May 6, 2025 Pending
Michigan	February 28, 2025 Pending
Minnesota	February 24, 2025, as amended April 30, 2025 Pending
New York	February 4, 2025, as amended _____, 2025 Pending
North Dakota	January 21, 2025, as amended April 23, 2025 Pending
Rhode Island	January 25, 2025, as amended May 6, 2025 Pending
South Dakota	January 21, 2025, as amended April 22, 2025 Pending
Virginia	January 24, 2025, as amended May 5, 2025 Pending
Washington	February 18, 2025, as amended _____, 2025 Pending
Wisconsin	February 21, 2025, as amended April 23, 2025 Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

THE MAIDS INTERNATIONAL, LLC

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 The Maids International, LLC ("TMI") offers you a franchise, TMI must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, TMI or our affiliate in connection with the proposed franchise sale. Iowa and New York require that TMI gives you this Disclosure Document at the earlier of the first personal meeting or 10 business days (or 14 calendar days in Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that TMI gives you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or payment of any consideration, whichever occurs first.

If TMI 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and those state administrators listed on **Exhibit KJ**. TMI authorizes the respective state agencies identified on **Exhibit KJ** to receive service of process for TMI in the particular state.

The franchisor is The Maids International, LLC located at 9394 West Dodge Road, Suite 140, Omaha, NE 68114. Its telephone number is (402) 558-5555.

Issuance Date: ~~January 20, 2025, as amended April 22, 2025,~~ and as further amended August 15, 2025

TMI's franchise seller involved in offering and selling the franchise to you is Kyle McMIndes at 9394 West Dodge Road, Suite 140, Omaha, NE 68114, (402) 558-5555, or will be provided to you separately (with address and telephone number) before you sign a franchise agreement:

I have received a Disclosure Document with an issuance date of January 20, 2025, as amended April 22, 2025~~TMI's franchise seller involved in offering and selling the franchise to you is Kyle McMIndes at 9394 West Dodge Road, Suite 140, Omaha, NE 68114, (402) 558-5555, or will be provided to you separately (with address and telephone number) before you sign a franchise agreement:~~

~~I have received a Disclosure Document with an issuance date of January 20, 2025, as amended April 22, 2025,~~ and as further amended August 15, 2025, that included the following Exhibits:

Exhibit A – Financial Statements
Exhibit B – Franchisee List
Exhibit C – Franchisees That Have Left the System
Exhibit D – Franchise Agreement
Exhibit E – Software License Agreement
Exhibit F – National Alliance Participation Agreement
~~Audited Financial Statements~~
~~Exhibit B – Franchisee List~~
~~Exhibit C – Franchisees That Have Left the System~~
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~~Exhibit F – National Alliance Participation Agreement~~

~~Exhibit G – Promissory Note and Security Agreement~~
~~Exhibit H – Agreements to be Signed by the Franchise or Its Manager~~
~~Exhibit IH – The Maids® Confidential System~~
~~Exhibit JI – Operations Manual Table of Contents~~
~~Exhibit KJ – State Administrator and Agents for Service of Process~~
~~Exhibit K – State Addenda~~
~~Exhibit L – State Addenda~~
~~Exhibit M – Form of Release of Claims~~
~~Exhibit NM – Receipts~~

Date: _____
(Do not leave blank)

(Print Name of Prospective Franchisee (For Entity))

By: _____

Its: _____

Signature: _____

(Print Name of Prospective Franchisee (For Individuals))

Signature: _____

Copy for TMI

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Date: _____
(Do not leave blank)

(Print Name of Prospective Franchisee (For Entity))

By: _____

Its: _____

Signature: _____

(Print Name of Prospective Franchisee (For Individuals))

Signature: _____

| *Copy for Prospective Franchisee. Please retain this copy for your records.*