



85 7th Place East, Suite 500
St. Paul, Minnesota 55101-2198
mn.gov/commerce/
651.539.1500 FAX 651.539.1547
An equal opportunity employer

May 1, 2014

ERIC M. NEWMAN

8240 COUNTY DOWNS LANE
CHARLOTTE, NC 28270

Re: F-5899

MINT CONDITION FRANCHISING INC
MINT CONDITION (MASTER AGREEMENT) F/A

Dear Mr. Newman:

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

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

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

As a reminder, the next annual report is due within 120 days after the franchisor's fiscal year end, which is December 31, 2014.

Sincerely,

MIKE ROTHMAN
Commissioner

By:

Daniel Sexton
Commerce Analyst
Registration Division
(651) 539-1629

MR:DES:dlw

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
REGISTRATION DIVISION

IN THE MATTER OF THE REGISTRATION OF:
MINT CONDITION (MASTER AGREEMENT) F/A
By MINT CONDITION FRANCHISING INC

ORDER AMENDING
REGISTRATION

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

IT IS HEREBY ORDERED that the registration dated
August 25, 2008, is amended as of the date set forth below.

A handwritten signature in black ink, reading "Mike Rothman". The signature is fluid and cursive, with the first name "Mike" and last name "Rothman" clearly distinguishable.

MIKE ROTHMAN
Commissioner
Department of Commerce
85 7th Place East, Suite 500
St Paul, MN 55101

Date: May 1, 2014

STATE OF MINNESOTA
FRANCHISE REGISTRATION APPLICATION

State of Minnesota
Dept. of Commerce

APR 29 2014

Rec'd \$300

FILE NO. F-5899

Fee: \$300.00

(To be enclosed by Applicant at time
application is initially filed)

Date of Application: _____

APPLICATION FOR (Check only one):

____ REGISTRATION OF AN OFFER OR SALE OF FRANCHISES

X REGISTRATION RENEWAL STATEMENT OR ANNUAL REPORT

AMENDMENT NUMBER _____ TO APPLICATION

1. Name of Franchisor.

MINT CONDITION FRANCHISING, INC.

Name under which Franchisor is doing or intends to do business.

MINT CONDITION

2. Franchisor's principal business address.

1057 Red Ventures Drive
Suite 165
Fort Mill, South Carolina 29707

3. Name and address of Franchisor's agent in the State of Minnesota
authorized to receive process.

Commissioner of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101-2198

5-1-14
A/R Amy
12/31 8-25-08

-
- 4. Name, address and telephone number of subfranchisors, if any, for the State of Minnesota.**

None

-
- 5. Name, address and telephone number of person to whom communications regarding this application should be directed.**

**Eric M. Newman, Esq.
8240 County Downs Lane
Charlotte, North Carolina 28270
(704) 940-8609
enewmanesq@mindspring.com**

1

Eric M. Newman
Attorney at Law

8240 County Downs Lane
Charlotte, North Carolina 28270
(704) 940-8609
E-mail: enewmanesq@mindspring.com

April 26, 2014

Via Overnight Delivery

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

Re: Mint Condition Franchising, Inc.
Renewal - File # F-5899

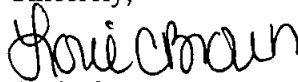
Dear Mr. Sexton:

Please find enclosed the annual report for Mint Condition Franchising, Inc. in the State of Minnesota. The enclosed renewal consists of a check for \$300.00 made payable to the "Minnesota Dept. of Commerce" for the filing fee and the following items:

1. Uniform Franchise Registration Application;
2. Supplemental Information;
3. Certification Page;
4. Uniform Consent to Service of Process;
5. Copy of the auditor's consent letter;
6. Salesman Disclosure Form;
7. One (1) clean and complete copy of the proposed disclosure document; and
8. One (1) black-lined copy indicating the changes.

We appreciate your time and effort to review our renewal. Please contact me if you have any questions or comments on the enclosed at (704)763-3823. Otherwise, I look forward to receiving notification of the approval of this renewal.

Sincerely,



Lorie C. Brown
Paralegal

Enclosures

SUPPLEMENTAL INFORMATION

1. Disclose:

A. The states in which this proposed registration is effective.

Virginia, Wisconsin

B. The states in which this proposed registration application is or will be shortly on file.

Washington, Minnesota, New York, Florida, Michigan, Indiana, Utah and Illinois

C. The states that have refused to register this franchise offering.

NONE

D. The states that have revoked or suspended the right to offer franchises.

NONE

E. The states in which this proposed registration of these franchises has been withdrawn within the last five years, and the reasons for revocation or suspension.

NONE

2. Source of Funds for Establishing New Franchises

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

2. Source of Funds for Establishing New Master Franchise:

<u>Obligations</u>			<u>Source of Funds</u> ¹	
<u>Franchisor's Pre-Opening Obligations</u>	<u>U.S.: 1 Franchises²</u>	<u>This State for Each Franchise</u>	<u>U.S.: 1 Franchises</u>	<u>This State for Each Franchise</u>
Franchise Sales	\$0	\$0	\$0	\$0
Training Manuals and Materials	\$1,670.00	\$1,670.00	\$1,670.00	\$1,670.00
Training of Master Franchisee	\$2,790.00	\$2,790.00	\$2,790.00	\$2,790.00
On-Site Pre-Opening Assistance	\$1,975.00	\$1,975.00	\$1,975.00	\$1,975.00
Total	<u>\$6,435.00</u>	<u>\$6,435.00</u>	<u>\$6,435.00</u>	<u>\$6,435.00</u>

¹The source of funds is the Franchisor's working capital. Development fees and initial franchise fees are added to the Franchisor's working capital.

²The Franchisor estimates that 1 new master franchise businesses will be opened in the United States within the next year (see Item 20 of this disclosure document).

CERTIFICATION PAGE

I certify under penalty of law that I have read and know the contents of this application including the Franchise Disclosure Documents with the issuance date of February 20, 2014 attached as an exhibit, and that all material facts stated in all those documents are accurate and those documents do not contain any material omissions. I further certify that I am duly authorized to make this certification on behalf of Franchisor and that I do so upon my personal knowledge.

Executed at Charlotte, April 24, 2014.

MINT CONDITION FRANCHISING, INC.,
a North Carolina corporation

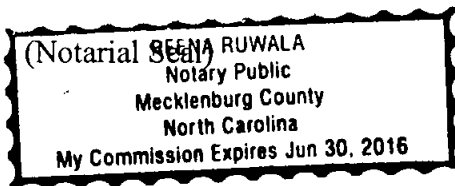
(SEAL)

By: [Signature]
Title: President

STATE OF North Carolina
COUNTY OF Mecklenburg

Personally appeared before me this APRIL 24 day of APRIL, 2014, the above-named John F. Saumby to me known to be the person who executed the foregoing notification as President, of the above-named corporation, and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such officer.

[Signature]
Notary Public



My Commission expires June 30,
2016.

My Commission Expires on 30.09.2016
North Carolina
Mortgage Company
Mortgage Company

UNIFORM CONSENT TO SERVICE OF PROCESS

Mint Condition Franchising, Inc., a corporation organized under the laws of the State of North Carolina; irrevocably appoints the Minnesota Commissioner of Commerce and any successors in office, its attorney in the State of Minnesota for service of notice, process or pleading in any action or proceeding against it arising out of or in connection with the sale of franchises, or a violation of the franchise laws of Minnesota; and consents that an action or proceeding against it may be commenced in a court of competent jurisdiction and proper venue within Minnesota by service of process upon this officer with the same effect as if the undersigned was organized or created under the laws of Minnesota and had lawfully been served with process in Minnesota. A copy of any notice, process or pleading served pursuant to this consent shall be mailed to:

Mint Condition Franchising, Inc.
Attn: Mr. Jack F. Saumby
1057 Red Ventures Drive
Suite 165
Fort Mill, South Carolina 29707

Dated April 24, 2014.

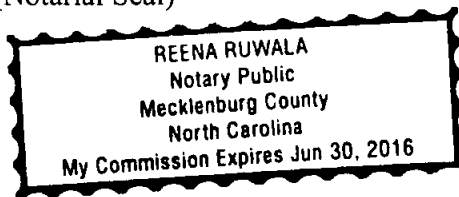
(SEAL)

MINT CONDITION FRANCHISING, INC.
A North Carolina corporation

By: J.F.S.

Title: President

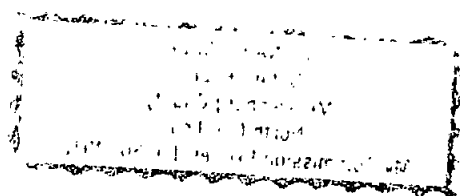
(Notarial Seal)



Notary Public [Signature]

My Commission Expires: JUNE 30,

2016!





Moyer, Smith & Roller, P.A.
Certified Public Accountants

7229 Albemarle Rd., Suite A
Charlotte, NC 28227
T: 704-566-0222
F: 704-531-6197
cpacharlotte@msr-cpa.com
www.msr-cpa.com

Form F – Consent of Accountant

CONSENT

Moyer, Smith & Roller, P.A., Certified Public Accountants, consents to the use in the Franchise Disclosure Document issued by Mint Condition Franchising, inc. ("Franchisor") on March 31, 2014, as it may be amended, of our report dated February 5, 2014, relating to the financial statements of Franchisor for the year ended December 31, 2013.

Moyer, Smith + Roller, P.A.

Audited
Financial Statements
At
December 31, 2013 And 2012
And
For The Years Then Ended

TABLE OF CONTENTS

	Page
Financial Statements:	
Independent Auditors' Report.....	2 - 3
Balance Sheets	4 - 5
Statements of Operations and Retained Earnings.....	6
Statements of Cash Flows.....	7
Notes to Financial Statements.....	8 - 13
 Other Financial Information:	
Schedules of General and Administrative Expenses	14



Moyer, Smith & Roller, P.A.
Certified Public Accountants

7229 Albemarle Rd., Suite A
Charlotte, NC 28227
T: 704-566-0222
F: 704-531-6197
cpacharlotte@msr-cpa.com
www.msr-cpa.com

Independent Auditors' Report

To the Board of Directors and Stockholders of
Mint Condition Franchising, Inc.
Fort Mill, South Carolina

We have audited the accompanying financial statements of Mint Condition Franchising, Inc. (a North Carolina corporation), which comprise the balance sheets as of December 31, 2013 and 2012, and the related statements of operations and retained earnings and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mint Condition Franchising, Inc. as of December 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of General and Administrative Expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mayer, Smith + Roller, P.A.

Charlotte, North Carolina
February 5, 2014

MINT CONDITION FRANCHISING, INC.

**Balance Sheets
December 31, 2013 And 2012**

	ASSETS	
	<u>2013</u>	<u>2012</u>
Current Assets:		
Cash	\$ 238,092	\$ 148,131
Accounts Receivable, less allowance for doubtful accounts of \$9,062 in 2013 and \$6,500 in 2012	224,745	171,521
Notes Receivable - Current Portion	109,032	100,943
Notes Receivable - Stockholder	-	35,000
Prepaid Expenses	<u>13,806</u>	<u>13,753</u>
Total Current Assets	<u>585,675</u>	<u>469,348</u>
 Property and Equipment:		
Office Furniture and Equipment	93,235	54,385
Vehicles	<u>36,000</u>	<u>36,000</u>
	129,235	90,385
Less Accumulated Depreciation	(<u>77,871</u>)	(<u>66,295</u>)
Property and Equipment, Net	<u>51,364</u>	<u>24,090</u>
 Other Assets:		
Security Deposits	1,049	-
Master Franchise Territory, net of amortization of \$172 in 2013	30,744	-
Notes Receivable, net of Current Portion	<u>141,855</u>	<u>76,908</u>
Total Other Assets	<u>173,648</u>	<u>76,908</u>
 TOTAL ASSETS	 <u><u>\$ 810,687</u></u>	 <u><u>\$ 570,346</u></u>

See Independent Auditors' Report and Accompanying Notes.

MINT CONDITION FRANCHISING, INC.

Balance Sheets

December 31, 2013 And 2012

LIABILITIES AND STOCKHOLDER'S EQUITY

	<u>2013</u>	<u>2012</u>
Current Liabilities:		
Accounts Payable - Trade	\$ 218,224	\$ 158,725
Accrued Expenses	20,581	18,583
Deferred Franchise Revenue	95,055	91,404
Current Portion of Long-Term Debt	<u>14,502</u>	<u>-</u>
Total Current Liabilities	<u>348,362</u>	<u>268,712</u>
Non-Current Liabilities:		
Deferred Franchise Revenue	141,855	76,908
Note Payable - Stockholder	-	13,155
Long-Term Debt, net of current portion	<u>21,573</u>	<u>-</u>
Total Non-Current Liabilities	<u>163,428</u>	<u>90,063</u>
TOTAL LIABILITIES	<u>511,790</u>	<u>358,775</u>
Stockholder's Equity:		
Common stock, par value \$1 per share; 100,000 shares authorized; 1,000 shares issued and outstanding	1,000	1,000
Retained Earnings	<u>297,897</u>	<u>210,571</u>
Total Stockholder's Equity	<u>298,897</u>	<u>211,571</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 810,687</u>	<u>\$ 570,346</u>

MINT CONDITION FRANCHISING, INC.
Statements of Operations and Retained Earnings
For The Years Ended December 31, 2013 And 2012

	<u>2013</u>	<u>2012</u>
Revenues:		
Contract Revenue	\$ 3,087,362	\$ 2,675,069
Franchise Sales	208,626	123,318
Master Franchise Royalty	287,216	284,523
Master Franchise Sales	<u>1,611</u>	<u>9,388</u>
Total Revenues	3,584,815	3,092,298
Cost of Revenues	<u>2,416,626</u>	<u>2,134,432</u>
Gross Profit	1,168,189	957,866
General and Administrative Expenses (See page 14)	<u>989,046</u>	<u>846,393</u>
Income (Loss) From Operations	<u>179,143</u>	<u>111,473</u>
Other Income (Expense):		
Interest Income	13,885	13,578
Interest Expense	(160)	-
Miscellaneous Income	-	1,500
Penalties	-	(19)
Gain (Loss) on Disposal of Assets	<u>-</u>	<u>(863)</u>
Total Other Income (Expense)	<u>13,725</u>	<u>14,196</u>
Net Income	192,868	125,669
Subchapter "S" Distributions	(105,542)	(3,600)
Retained Earnings, beginning of year	<u>210,571</u>	<u>88,502</u>
Retained Earnings, end of year	<u><u>\$ 297,897</u></u>	<u><u>\$ 210,571</u></u>

See Independent Auditors' Report and Accompanying Notes.

MINT CONDITION FRANCHISING, INC.
Statements of Cash Flows
For The Years Ended December 31, 2013 And 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	\$ 192,868	\$ 125,669
Adjustments to reconcile net income (loss) to cash provided by operating activities:		
Depreciation and Amortization	11,747	6,741
(Increase) Decrease in Accounts Receivable	(53,223)	(61,538)
(Increase) Decrease in Notes Receivable	(73,036)	(6,119)
(Increase) Decrease in Prepaid Expense	(53)	(2,902)
(Increase) Decrease in Security Deposits	(1,049)	-
Increase (Decrease) in Accounts Payable - Trade	59,499	7,025
Increase (Decrease) in Deferred Franchise Revenue	68,598	11,802
Increase (Decrease) in Accrued Expenses	<u>1,998</u>	<u>4,060</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>207,349</u>	<u>84,738</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Office Furniture and Equipment	(26,727)	(12,775)
Purchase of Master Franchise Territory	<u>(5,000)</u>	<u>-</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(31,727)</u>	<u>(12,775)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Subchapter "S" Distributions	(105,542)	(3,600)
Increase (Decrease) in Note Receivable - Stockholder	35,000	-
Increase (Decrease) in Note Payable - Stockholder	(13,155)	(29,883)
Principal Payments on Capital Leases	<u>(1,964)</u>	<u>-</u>
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>(85,661)</u>	<u>(33,483)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	89,961	38,480
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>148,131</u>	<u>109,651</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 238,092</u></u>	<u><u>\$ 148,131</u></u>

See Independent Auditors' Report and Accompanying Notes.

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements
December 31, 2013 And 2012

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

Business Activity

Mint Condition Franchising, Inc. was incorporated in North Carolina on October 16, 1996. The Company obtains customers under janitorial contracts and assigns janitorial customers to franchisees in certain areas of North and South Carolina. The assignment is made via a franchise agreement which grants the franchisee the right to use the Company's marketing and business techniques and systems in the janitorial service business under the "Mint Condition" trademark. The Company is obligated to provide the franchisee with a minimum annual janitorial revenue base, initial supplies and training. The Company also provides the franchisee with monthly billing and collection services on the assigned janitorial customers. The Company remits the collections to the franchisee after deducting the franchise service fees, royalties, insurance charges, accounting fees, account replacement fees, financing payments and other amounts due.

The Company accounts for gross billings of janitorial customers as contract revenues and the net remittances to franchisees before financing payments as franchise service expenses.

The Company sells master franchise agreements which grant master franchisees the right to use the Company's marketing, business techniques and franchise system in the janitorial franchisor business under the "Mint Condition" trade name. The master franchisee is granted exclusive rights within a specific territory. The Company is obligated to provide the master franchisee initial and ongoing training in starting and operating the business. In addition to the initial master franchise fee, the Company receives royalties on the sales of the master franchisee.

Property and Equipment

Property and equipment is recorded on the basis of cost and is depreciated using the straight-line method over estimated useful lives of the assets. Property and equipment acquired under capital lease agreements are depreciated using the straight-line method over the shorter of the estimated useful life of the assets or the related lease term.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements (Continued)
December 31, 2013 And 2012

NOTE A - SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

The Company considers all highly liquid unrestricted investments with maturities of three months or less to be cash equivalents for purpose of the statement of cash flows.

Income Taxes

Mint Condition Franchising, Inc., with the consent of its stockholders, has elected under the Internal Revenue Code to be an S corporation. In lieu of corporation income taxes, the stockholders of an S corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

Deferred Revenue

Deferred revenue consists of the unsecured financed portion of down payments and additional business purchased by the franchises and master franchisees which are recognized as revenue as payments are received.

Subsequent Events

Management has evaluated subsequent events through February 5, 2014, the date the financial statements were made available to be released.

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements (Continued)
December 31, 2013 And 2012

NOTE B - FRANCHISE SALES

During 2013, the general terms under which the Company typically sold a franchise, as discussed more fully in Note A - Business Activity, were as follows:

<u>Plan</u>	<u>Franchise Price</u>	<u>Down Payment</u>	<u>Amount Financed</u>	<u>Monthly Initial Business</u>
A	\$ 3,000	\$ 1,000	\$ 2,000	\$ 500
B	4,000	1,500	2,500	1,000
C	5,000	2,000	3,000	1,500
D	6,000	2,500	3,500	2,000
E	8,000	3,500	4,500	3,000
F	10,000	4,500	5,500	4,000
G	12,000	6,000	6,000	5,000
H	14,000	8,000	6,000	6,000
I	16,000	10,000	6,000	7,000
J	18,000	11,000	7,000	8,000
K	20,000	12,000	8,000	9,000
L	22,000	13,000	9,000	10,000

NOTE C - ROYALTY INCOME

During 2013, the minimum royalty under a master franchise agreement is as follows:

<u>Months</u>	<u>Standard Minimum Monthly Fee</u>	<u>Small Minimum Monthly Fee</u>
1 - 6	\$ 0	\$ 0
7 - 12	\$ 250	\$ 250
13 - 24	\$ 500	\$ 500
25 - 36	\$ 1,000	\$ 750
37 - 48	\$ 1,500	\$ 1,000
49 - 60	\$ 2,000	\$ 1,250
61 - 72	\$ 2,500	\$ 1,500
73 - 240	\$ 3,000	\$ 2,000

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements (Continued)
December 31, 2013 And 2012

NOTE D - ACCOUNTS RECEIVABLE

Accounts receivable generally consist of billings to customers which are collected on behalf of the franchisee. Royalties, insurance charges, accounting fees, account replacement fees, franchise note payments, equipment and supply sales are retained by the Company.

Based on management's estimate of collectability, accounts receivable at December 31, 2013 and 2012, include an allowance for doubtful accounts of \$9,062 and \$6,500, respectively.

NOTE E - NOTES RECEIVABLE

The notes receivable from franchisees represent Company-offered financing of initial and additional volume franchise fees. The terms of the notes range from four (4) to thirty-six (36) months with interest at 10%. Note payments are deducted from franchisee's monthly receipts as are note accelerations upon default. The notes are unsecured. At December 31, 2013 and 2012, notes receivable from franchisees are as follows:

	<u>2013</u>	<u>2012</u>
Notes Receivable	\$ 250,887	\$ 176,240
Less current portion	<u>109,032</u>	<u>99,332</u>
	<u>\$ 141,855</u>	<u>\$ 76,908</u>

The notes receivable from master franchisees represent Company offered financing of initial master franchise fees. The terms of the notes are thirty-six (36) months with interest at 10%. The notes are unsecured. At December 31, 2013 and 2012, notes receivable from master franchisees are as follows:

	<u>2013</u>	<u>2012</u>
Notes receivable	\$ -	\$ 1,611
Current Portion	<u>-</u>	<u>1,611</u>
	<u>\$ -</u>	<u>\$ -</u>

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements (Continued)
December 31, 2013 And 2012

NOTE F - RELATED PARTY TRANSACTIONS

The Company had a note receivable-stockholder at December 31, 2012. During 2013, the entire remaining balance of \$35,000 was repaid by the stockholder.

The Company had a note payable-stockholder at December 31, 2012. During 2013, the entire remaining balance of \$13,155 was repaid to the stockholder.

NOTE G - CONTINGENCIES

The Company is contingently liable for not satisfying its obligation under the franchise agreements. If the Company fails to supply the franchisee with initial janitorial accounts equal to the contracted monthly billings, within 60 to 330 days of execution of the franchise agreement, depending on the type of franchise plan selected, the Company is required to refund a portion of the initial franchisee fee. During 2013, 17 franchise agreements were not met. The Company renegotiated the terms and no refunds were issued. During 2012, ten franchise agreements were not met. The Company renegotiated the terms and refunded \$2,908 to two franchisees.

NOTE H - LEASES

The Company leases facilities for its headquarters under an operating lease that expires July 31, 2018. The Company also leases additional space in satellite locations under operating leases that expire on various dates over the next year. As of December 31, 2013, the future minimum lease payments required by these leases are as follows:

<u>Year Ended</u> <u>December 31</u>	<u>Amount</u>
2014	\$ 71,443
2015	63,760
2016	65,673
2017	67,643
2018	40,571
Thereafter	-
Total	<u>\$ 309,090</u>

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements (Continued)
December 31, 2013 And 2012

NOTE I - SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash paid during the year for interest was \$160 in 2013 and \$0 in 2012.

NOTE J - RETIREMENT PLAN

The Company has established a Simple IRA pension plan, covering all employees who earned \$5,000 or more, per year, during any prior two years of employment. The Company will make a matching contribution to each eligible employee's Simple IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the year. The employer contribution for the years ended December 31, 2013 and December 31, 2012 was \$12,389 and \$14,689, respectively.

NOTE K - CREDIT RISKS AND OTHER CONCENTRATIONS

Mint Condition Franchising, Inc. places its cash and cash equivalents on deposit with a North Carolina financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of December 31, 2013, the Company's cash balance did not exceed this limit. However, from time to time during the course of the year, the Company's cash balances may exceed this insured limit.

NOTE L - CAPITAL LEASE OBLIGATIONS

The Company has the following capital lease obligations:

A capital lease payable to a bank, payable in monthly installments of \$353.90, including interest at 3.444%; due June 18, 2016, secured by office equipment.	\$ 10,159
Less: Current Portion	(3,959)
Long-Term Debt	<u>\$ 6,200</u>

OTHER FINANCIAL INFORMATION

MINT CONDITION FRANCHISING, INC.
Schedules of General and Administrative Expenses
For The Years Ended December 31, 2013 And 2012

	<u>2013</u>	<u>2012</u>
General and Administrative Expenses:		
Salaries and Wages	\$ 594,849	\$ 481,698
Payroll Taxes	50,928	40,665
Employee Benefits	26,315	21,259
Advertising	35,954	47,611
Auto Expense - Indirect	19,138	14,143
Depreciation	11,575	6,741
Amortization	172	-
Miscellaneous Expense	-	342
Office Supplies	27,035	22,050
Bank Charges & Credit Card Fees	4,583	3,496
Contributions	2,596	1,393
Postage Expenses	5,110	5,699
Professional Services	72,805	76,061
Rent Expense	74,970	66,316
Taxes and Licenses	1,250	3,702
Telephone	22,208	21,465
Travel & Entertainment	17,470	10,372
Bad Debts	8,854	7,187
Pension Plan Expense	12,389	15,081
Dues & Subscriptions	<u>845</u>	<u>1,112</u>
Total General and Administrative Expenses	<u>\$ 989,046</u>	<u>\$ 846,393</u>

See Independent Auditors' Report and Accompanying Notes.



Moyer, Smith & Roller, P.A.
Certified Public Accountants

7229 Albemarle Rd., Suite A
Charlotte, NC 28227
T: 704-566-0222
F: 704-531-6197
cpacharlotte@msr-cpa.com
www.msr-cpa.com

Form F – Consent of Accountant

CONSENT

Moyer, Smith & Roller, P.A., Certified Public Accountants, consents to the use in the Franchise Disclosure Document issued by Mint Condition Franchising, inc. ("Franchisor") on March 31, 2013, as it may be amended, of our report dated February 6, 2013, relating to the financial statements of Franchisor for the year ended December 31, 2012.

Moyer, Smith & Roller, P.A.

MINT CONDITION FRANCHISING, INC.

Fort Mill, South Carolina

Audited
Financial Statements
At
December 31, 2012 And 2011
And
For The Years Then Ended

TABLE OF CONTENTS

	Page
Financial Statements:	
Independent Auditors' Report.....	2 - 3
Balance Sheets	4 - 5
Statements of Operations and Retained Earnings.....	6
Statements of Cash Flows.....	7
Notes to Financial Statements.....	8 - 12
 Other Financial Information:	
Schedules of General and Administrative Expenses	13



Moyer, Smith & Roller, P.A.
Certified Public Accountants

7229 Albemarle Rd., Suite A
Charlotte, NC 28227
T: 704-566-0222
F: 704-531-6197
cpacharlotte@msr-cpa.com
www.msr-cpa.com

Independent Auditors' Report

To the Board of Directors and Stockholders of
Mint Condition Franchising, Inc.
Fort Mill, South Carolina

We have audited the accompanying financial statements of Mint Condition Franchising, Inc. (a North Carolina corporation), which comprise the balance sheets as of December 31, 2012 and 2011, and the related statements of operations and retained earnings and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mint Condition Franchising, Inc. as of December 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of General and Administrative Expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Moyer, Smith + Roller, P.A.

Charlotte, North Carolina
February 6, 2013

MINT CONDITION FRANCHISING, INC.

Balance Sheets

December 31, 2012 And 2011

	ASSETS	
	<u>2012</u>	<u>2011</u>
Current Assets:		
Cash	\$ 148,131	\$ 109,651
Accounts Receivable, less allowance for doubtful accounts of \$6,500 in 2012 and \$4,000 in 2011	171,521	109,982
Notes Receivable - Current Portion	100,943	113,082
Notes Receivable - Stockholder	35,000	35,000
Employee Advances	-	790
Prepaid Expenses	<u>13,753</u>	<u>10,062</u>
Total Current Assets	<u>469,348</u>	<u>378,567</u>
 Property and Equipment:		
Office Furniture and Equipment	54,385	70,500
Vehicles	<u>36,000</u>	<u>36,000</u>
	90,385	106,500
Less Accumulated Depreciation	(<u>66,295</u>)	(<u>88,444</u>)
Property and Equipment, Net	<u>24,090</u>	<u>18,056</u>
 Other Assets:		
Notes Receivable, net of Current Portion	<u>76,908</u>	<u>58,650</u>
Total Other Assets	<u>76,908</u>	<u>58,650</u>
 TOTAL ASSETS	<u><u>\$ 570,346</u></u>	<u><u>\$ 455,273</u></u>

See Independent Auditors' Report and Accompanying Notes.

MINT CONDITION FRANCHISING, INC.

Balance Sheets

December 31, 2012 And 2011

LIABILITIES AND STOCKHOLDER'S EQUITY

	<u>2012</u>	<u>2011</u>
Current Liabilities:		
Accounts Payable - Trade	\$ 158,725	\$ 151,699
Accrued Expenses	18,583	14,524
Deferred Franchise Revenue	<u>91,404</u>	<u>97,860</u>
Total Current Liabilities	<u>268,712</u>	<u>264,083</u>
Non-Current Liabilities:		
Deferred Franchise Revenue	76,908	58,650
Note Payable - Stockholder	<u>13,155</u>	<u>43,038</u>
Total Non-Current Liabilities	<u>90,063</u>	<u>101,688</u>
TOTAL LIABILITIES	<u>358,775</u>	<u>365,771</u>
Stockholder's Equity:		
Common stock, par value \$1 per share; 100,000 shares authorized; 1,000 shares issued and outstanding	1,000	1,000
Retained Earnings	<u>210,571</u>	<u>88,502</u>
Total Stockholder's Equity	<u>211,571</u>	<u>89,502</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 570,346</u>	<u>\$ 455,273</u>

See Independent Auditors' Report and Accompanying Notes.

MINT CONDITION FRANCHISING, INC.
Statements of Operations and Retained Earnings
For The Years Ended December 31, 2012 And 2011

	<u>2012</u>	<u>2011</u>
Revenues:		
Contract Revenue	\$ 2,675,069	\$ 2,147,335
Franchise Sales	123,318	100,297
Master Franchise Royalty	284,523	199,677
Master Franchise Sales	<u>9,388</u>	<u>168,079</u>
Total Revenues	3,092,298	2,615,388
Cost of Revenues	<u>2,134,432</u>	<u>1,767,235</u>
Gross Profit	957,866	848,153
General and Administrative Expenses (See page 13)	<u>846,393</u>	<u>856,669</u>
Income (Loss) From Operations	<u>111,473</u>	(<u>8,516</u>)
Other Income (Expense):		
Interest Income	13,578	11,575
Miscellaneous Income	1,500	761
Penalties	(19)	-
Gain (Loss) on Disposal of Assets	<u>(863)</u>	<u>733</u>
Total Other Income (Expense)	<u>14,196</u>	<u>13,069</u>
Net Income (Loss)	125,669	4,553
Subchapter "S" Distributions	(3,600)	-
Retained Earnings, beginning of year	<u>88,502</u>	<u>83,949</u>
Retained Earnings, end of year	<u><u>\$ 210,571</u></u>	<u><u>\$ 88,502</u></u>

See Independent Auditors' Report and Accompanying Notes.

MINT CONDITION FRANCHISING, INC.
Statements of Cash Flows
For The Years Ended December 31, 2012 And 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	\$ 125,669	\$ 4,553
Adjustments to reconcile net income (loss) to cash provided by operating activities:		
Depreciation and Amortization	6,741	7,928
(Increase) Decrease in Accounts Receivable	(61,538)	(2,277)
(Increase) Decrease in Notes Receivable	(6,119)	14,841
(Increase) Decrease in Employee Advances	-	(790)
(Increase) Decrease in Prepaid Expense	(2,902)	(1,694)
Increase (Decrease) in Accounts Payable - Trade	7,025	39,486
Increase (Decrease) in Deferred Franchise Revenue	11,802	(21,702)
Increase (Decrease) in Accrued Expenses	<u>4,060</u>	<u>2,321</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>84,738</u>	<u>42,666</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Office Furniture and Equipment	(12,775)	(7,544)
Proceeds from Sale of Office Furniture and Equipment	<u>-</u>	<u>1,000</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(12,775)</u>	<u>(6,544)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Subchapter "S" Distributions	(3,600)	-
Increase (Decrease) in Note Payable - Stockholder	<u>(29,883)</u>	<u>-</u>
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>(33,483)</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	38,480	36,122
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>109,651</u>	<u>73,529</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 148,131</u>	<u>\$ 109,651</u>

See Independent Auditors' Report and Accompanying Notes.

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements
December 31, 2012 And 2011

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

Business Activity

Mint Condition Franchising, Inc. was incorporated in North Carolina on October 16, 1996. The Company obtains customers under janitorial contracts and assigns janitorial customers to franchisees in certain areas of North and South Carolina. The assignment is made via a franchise agreement which grants the franchisee the right to use the Company's marketing and business techniques and systems in the janitorial service business under the "Mint Condition" trademark. The Company is obligated to provide the franchisee with a minimum annual janitorial revenue base, initial supplies and training. The Company also provides the franchisee with monthly billing and collection services on the assigned janitorial customers. The Company remits the collections to the franchisee after deducting the franchise service fees, royalties, insurance charges, accounting fees, account replacement fees, financing payments and other amounts due.

The Company accounts for gross billings of janitorial customers as contract revenues and the net remittances to franchisees before financing payments as franchise service expenses.

The Company sells master franchise agreements which grant master franchisees the right to use the Company's marketing, business techniques and franchise system in the janitorial franchisor business under the "Mint Condition" trade name. The master franchisee is granted exclusive rights within a specific territory. The Company is obligated to provide the master franchisee initial and ongoing training in starting and operating the business. In addition to the initial master franchise fee, the Company receives royalties on the sales of the master franchisee.

Property and Equipment

Property and equipment is stated on the basis of cost. Depreciation is computed using accelerated methods as permitted for tax purposes over the estimated useful lives of the assets.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid unrestricted investments with maturities of three months or less to be cash equivalents for purpose of the statement of cash flows.

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements (Continued)
December 31, 2012 And 2011

NOTE A - SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

Mint Condition Franchising, Inc., with the consent of its stockholders, has elected under the Internal Revenue Code to be an S corporation. In lieu of corporation income taxes, the stockholders of an S corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

Deferred Revenue

Deferred revenue consists of the unsecured financed portion of down payments and additional business purchased by the franchises and master franchisees which are recognized as revenue as payments are received.

Subsequent Events

Management has evaluated subsequent events through February 6, 2013, the date the financial statements were made available to be released.

NOTE B - FRANCHISE SALES

During 2012, the general terms under which the Company typically sold a franchise, as discussed more fully in Note A - Business Activity, were as follows:

<u>Plan</u>	<u>Franchise Price</u>	<u>Down Payment</u>	<u>Amount Financed</u>	<u>Monthly Initial Business</u>
A	\$ 3,000	\$ 1,000	\$ 2,000	\$ 500
B	4,000	1,500	2,500	1,000
C	5,000	2,000	3,000	1,500
D	6,000	2,500	3,500	2,000
E	8,000	3,500	4,500	3,000
F	10,000	4,500	5,500	4,000
G	12,000	6,000	6,000	5,000
H	14,000	8,000	6,000	6,000
I	16,000	10,000	6,000	7,000
J	18,000	11,000	7,000	8,000
K	20,000	12,000	8,000	9,000
L	22,000	13,000	9,000	10,000

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements (Continued)
December 31, 2012 And 2011

NOTE C - ROYALTY INCOME

During 2012, the minimum royalty under a master franchise agreement based upon population of a territory purchased is as follows:

<u>Months</u>	<u>Standard Minimum Monthly Fee</u>	<u>Small Minimum Monthly Fee</u>
1 - 6	\$ 0	\$ 0
7 - 12	\$ 250	\$ 250
13 - 24	\$ 500	\$ 500
25 - 36	\$ 1,000	\$ 750
37 - 48	\$ 1,500	\$ 1,000
49 - 60	\$ 2,000	\$ 1,250
61 - 72	\$ 2,500	\$ 1,500
73 - 240	\$ 3,000	\$ 2,000

NOTE D - ACCOUNTS RECEIVABLE

Accounts receivable generally consist of billings to customers which are collected on behalf of the franchisee. Royalties, insurance charges, accounting fees, account replacement fees, franchise note payments, equipment and supply sales are retained by the Company.

Based on management's estimate of collectability, accounts receivable at December 31, 2012 and 2011, include an allowance for doubtful accounts of \$6,500 and \$4,000, respectively.

NOTE E - NOTES RECEIVABLE

The notes receivable from franchisees represent Company-offered financing of initial and additional volume franchise fees. The terms of the notes range from six (6) months to thirty-six (36) months with interest at 10%. Note payments are deducted from franchisee's monthly receipts as are note accelerations upon default. The notes are unsecured. At December 31, 2012 and 2011, notes receivable from franchisees are as follows:

	<u>2012</u>	<u>2011</u>
Notes Receivable	\$ 176,240	\$ 161,545
Less current portion	<u>99,332</u>	<u>103,702</u>
	<u>\$ 76,908</u>	<u>\$ 57,843</u>

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements (Continued)
December 31, 2012 And 2011

NOTE E - NOTES RECEIVABLE (continued)

The notes receivable from master franchisees represent Company offered financing of initial master franchise fees. The terms of the notes are thirty-six (36) months with interest at 10%. The notes are unsecured. At December 31, 2012 and 2011, notes receivable from master franchisees are as follows:

	<u>2012</u>	<u>2011</u>
Notes receivable	\$ 1,611	\$ 10,187
Current Portion	<u>1,611</u>	<u>9,380</u>
	<u>\$ -</u>	<u>\$ 807</u>

NOTE F - RELATED PARTY TRANSACTIONS

The Company has a note receivable-stockholder at December 31, 2012. The company has loaned its sole stockholder \$35,000 and the loan is reflected in the balance sheet as a current assets

NOTE G - CONTINGENCIES

The Company is contingently liable for not satisfying its obligation under the franchise agreements. If the Company fails to supply the franchisee with initial janitorial accounts equal to the contracted monthly billings, within 60 to 330 days of execution of the franchise agreement, depending on the type of franchise plan selected, the Company is required to refund a portion of the initial franchisee fee. During 2012, ten franchise agreements were not met. The Company renegotiated the terms and refunded \$2,908 to two franchisees. There were no refunds in 2011.

MINT CONDITION FRANCHISING, INC.
Notes to Financial Statements (Continued)
December 31, 2012 And 2011

NOTE H - LEASES

The Company leases facilities for its headquarters under an operating lease that expires July 31, 2018. The Company also leases additional space in a satellite office under an operating lease that expires March 31, 2013. As of December 31, 2012, the future minimum lease payments required by these leases are as follows:

<u>Year Ended</u> <u>December 31</u>	<u>Amount</u>
2013	\$ 61,456
2014	61,903
2015	63,760
2016	65,673
2017	67,643
Thereafter	<u>40,571</u>
Total	<u>\$ 361,006</u>

NOTE I - SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash paid during the year for interest was \$0 in 2012 and \$0 in 2011.

NOTE J - RETIREMENT PLAN

The Company has established a Simple IRA pension plan, covering all employees who earned \$5,000 or more, per year, during any prior two years of employment. The Company will make a matching contribution to each eligible employee's Simple IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the year. The employer contribution for the years ended December 31, 2012 and December 31, 2011 was \$14,689 and \$14,524, respectively.

NOTE K - CREDIT RISKS AND OTHER CONCENTRATIONS

Mint Condition Franchising, Inc. places its cash and cash equivalents on deposit with a North Carolina financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of December 31, 2012, the Company's cash balance did not exceed this limit. However, from time to time during the course of the year, the Company's cash balances may exceed this insured limit.

EXHIBIT L

STATE ADDENDA

MINT CONDITION FRANCHISING, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING THE INFORMATION
REQUIRED BY THE COMMONWEALTH OF VIRGINIA

THIS ADDENDUM TO THE MINT CONDITION FRANCHISING, INC.
FRANCHISE DISCLOSURE DOCUMENT
IS REQUIRED BY THE COMMONWEALTH OF VIRGINIA
AND IS BEING PROVIDED TO YOU
AT THE SAME TIME AS THE
FRANCHISE DISCLOSURE DOCUMENT
WHICH CONTAINS THE INFORMATION
REQUIRED BY THE FEDERAL TRADE COMMISSION

YOU SHOULD REVIEW THIS VIRGINIA ADDENDUM
IN CONJUNCTION WITH THE FRANCHISE DISCLOSURE DOCUMENT

MINT CONDITION FRANCHISING, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT CONTAINING THE INFORMATION
REQUIRED BY THE COMMONWEALTH OF VIRGINIA

Table of Contents:

1.	ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE COMMONWEALTH OF VIRGINIA.....	3
----	--	---

ADDENDUM TO MINT CONDITION FRANCHISING, INC. ("MC")
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE COMMONWEALTH OF VIRGINIA

This Addendum to the MC Franchise Disclosure Document is set forth below in order to amend and revise the Franchise Disclosure Document as follows:

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for MC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to 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 stand 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.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Virginia Addendum to the MC Master Franchise Agreement on the same date as the MC Master Franchise Agreement was executed.

MASTER FRANCHISE OWNER:

MINT CONDITION FRANCHISING, INC.,
a North Carolina corporation

By: _____
Title: _____

By: _____
Title: _____

President

**MINT CONDITION FRANCHISING, INC.
ADDENDUM TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT
CONTAINING THE INFORMATION
REQUIRED BY THE STATE OF ILLINOIS**

**THIS ADDENDUM TO THE MINT CONDITION FRANCHISING, INC.
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
IS REQUIRED BY THE STATE OF ILLINOIS
AND IS BEING PROVIDED TO YOU
AT THE SAME TIME AS THE
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
WHICH CONTAINS THE INFORMATION
REQUIRED BY THE FEDERAL TRADE COMMISSION**

**YOU SHOULD REVIEW THIS ILLINOIS ADDENDUM
IN CONJUNCTION WITH THE UNIFORM FRANCHISE DISCLOSURE DOCUMENT**

**MINT CONDITION FRANCHISING, INC.
ADDENDUM TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT (“UFDD”)
CONTAINING THE INFORMATION
REQUIRED BY THE STATE OF ILLINOIS**

Table of Contents:

1.	ADDENDUM TO THE MINT CONDITION FRANCHISING, INC. UFDD REQUIRED BY THE STATE OF ILLINOIS.....	3
2.	ADDENDUM TO THE MINT CONDITION FRANCHISING, INC. MASTER FRANCHISE AGREEMENT REQUIRED BY THE STATE OF ILLINOIS.....	4

ADDENDUM TO MINT CONDITION FRANCHISING, INC.
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF ILLINOIS

This Addendum to the Uniform Franchise Disclosure Document is set forth below in order to amend and revise the Uniform Franchise Disclosure Document as follows:

1. The Cover Page of the Illinois Franchise Disclosure Document and Item 17, "RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION", Section "Master Franchise Agreement," Paragraphs v and w, shall be amended by the addition of the following language:

Any provision in a master franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void provided that a master franchise agreement may provide for arbitration in a forum outside of Illinois.

Illinois law will govern the master franchise agreement.

ADDENDUM TO MINT CONDITION FRANCHISING, INC ("MINT CONDITION")
MASTER FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS

This Addendum to the Mint Condition Master Franchise Agreement is executed contemporaneously with the execution of the Mint Condition Master Franchise Agreement respectively between Franchisor and Master Franchise Owner as set forth below in order to amend and revise Mint Condition Master Franchise Agreement, respectively as follows:

1. Section XIX.E. of the Mint Condition Master Franchise Agreement shall be deleted and the following language shall be inserted:

Except to the extent governed by the U.S. Trademark Act of 1946 (Lanham Act 15 U.S.C., Paragraph 1051 et. seq.) this Agreement shall be governed by the laws of the State of Illinois.

2. Section XIX.I. of the Mint Condition Master Franchise Agreement shall be deleted in their entirety.
3. To the extent this Addendum shall be deemed inconsistent with any terms or conditions of said Mint Condition Master Franchise Agreement, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Illinois Addendum to the Mint Condition Master Franchise Agreement on the same date as respective Mint Condition Master Franchise Agreement was executed.

MASTER FRANCHISE OWNER:

FRANCHISOR:
MINT CONDITION FRANCHISING, INC.,
a North Carolina corporation

By: _____

By: _____
_____ President

**MINT CONDITION FRANCHISING, INC.
ADDENDUM TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT
CONTAINING THE INFORMATION
REQUIRED BY THE STATE OF MINNESOTA**

**THIS ADDENDUM TO THE MINT CONDITION FRANCHISING, INC.
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
IS REQUIRED BY THE STATE OF MINNESOTA
AND IS BEING PROVIDED TO YOU
AT THE SAME TIME AS THE
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
WHICH CONTAINS THE INFORMATION
REQUIRED BY THE FEDERAL TRADE COMMISSION**

**YOU SHOULD REVIEW THIS MINNESOTA ADDENDUM
IN CONJUNCTION WITH THE UNIFORM FRANCHISE DISCLOSURE DOCUMENT**

**MINT CONDITION FRANCHISING, INC.
ADDENDUM TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT (“UFDD”)
CONTAINING THE INFORMATION
REQUIRED BY THE STATE OF MINNESOTA**

Table of Contents:

**1. ADDENDUM TO THE MINT CONDITION FRANCHISING, INC.
UFDD REQUIRED BY THE STATE OF
MINNESOTA.....3**

**2. ADDENDUM TO THE MINT CONDITION FRANCHISING, INC. MASTER
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF
MINNESOTA.....5**

ADDENDUM TO MINT CONDITION FRANCHISING, INC.
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA

This Addendum to the Uniform Franchise Disclosure Document is set forth below in order to amend and revise the Uniform Franchise Disclosure Document as follows:

1. The Cover Page of the Minnesota Franchise Disclosure Document and Item 17, "RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION", Section "Master Franchise Agreement," Paragraphs v and w, shall be amended by the addition of the following language:

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

2. Item 13, "TRADEMARKS", shall be amended by the addition of the following language:

We will protect your right to use the Proprietary Marks, trade names, logotypes or other commercial symbols. We will indemnify you from any loss, costs or expenses resulting from any claim, suit or demand by third parties that your use of the Proprietary Marks of Mint Condition infringes trademark rights of the third party. You must provide notice to us of any such claim and tender the defense of the claim to us immediately after the claim is asserted. If we accept the tender of defense, we have the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim and to determine whether to appeal a final determination of the claim.

3. Item 17, "RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION", Section "Master Franchise Agreement," Paragraph c, shall be amended by the addition of the following language:

Minnesota Rule 2860-4400D prohibits us from requiring you to assent to a general release. Any provision in the Agreement which requires you to assent to a general release is deleted.

4. Item 17, "RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION", Section "Master Franchise Agreement," Paragraphs e and f, shall be amended by the addition of the following language:

Minnesota law provides you with certain termination and non-renewal rights. Minnesota Statutes, Section 80C.14, Subdivisions 3,4, and 5 require, except in certain specified cases, that you be given ninety (90) days notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days notice for non-renewal of the Agreement.

5. Item 17, “RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION”, Section “Master Franchise Agreement,” shall be amended by the addition of the following language:

Minnesota Rule Part 2860.4400J. prohibits you from waiving your rights to a jury trial or waiving your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any reference to Franchisee’s consent to liquidated damages or waiver of jury trial in the Agreement shall be deleted in its entirety.

Minnesota Statutes §80C.17, Subdivision 5 provides that we must comply with this section in regard to Limitation of Claims.

ADDENDUM TO MINT CONDITION FRANCHISING, INC ("MINT CONDITION")
MASTER FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA

This Addendum to the Mint Condition Master Franchise Agreement is executed contemporaneously with the execution of the Mint Condition Master Franchise Agreement respectively between Franchisor and Master Franchise Owner as set forth below in order to amend and revise Mint Condition Master Franchise Agreement, respectively as follows:

1. Section IV.B.5. of the Mint Condition Master Franchise Agreement shall be deleted in its entirety.
2. Section VII.D.3. of the Mint Condition Master Franchise Agreement shall be amended by the addition of the following language:

Franchisor will protect Master Franchise Owner's right to use the Proprietary Marks, trade names, logotypes or other commercial symbols. Franchisor will indemnify Master Franchise Owner from any loss, costs or expenses resulting from any claim, suit or demand by third parties that Master Franchise Owner's use of the Proprietary Marks of Mint Condition infringes trademark rights of the third party.

3. Section XVIII.B.2. of the Mint Condition Master Franchise Agreement shall be amended by the addition of the following language:

Notwithstanding anything hereinabove, Franchisor shall comply with the Minnesota Statutes, Section 80C.14, Subdivisions 3,4, and 5 require, except in certain specified cases, that Master Franchise Owner be given ninety (90) days notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days notice for non-renewal of the Agreement.

4. Sections XIX.E and XIX.I. of the Mint Condition Master Franchise Agreement shall be amended by the addition of the following language:

Minnesota Statutes §80C.21 and Minnesota Rule 2860.4400J prohibits 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 Master Franchise Agreement can abrogate or reduce any of Master Franchise Owner's rights as provided for in the Minnesota Statutes, Chapter 80C, or Master Franchise Owner's rights to any procedure, forum, or remedies provided for by the laws or the jurisdiction.

5. Section XIX.E and XIX.I. of the Mint Condition Master Franchise Agreement shall be amended by the addition of the following language:

Minnesota Rule Part 2860.4400J. prohibits you from waiving your rights to a jury trial or waiving your rights to any procedure, forum, or remedies provided for by the laws of the

jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any reference to Franchisee's consent to liquidated damages or waiver of jury trial in the Agreement shall be deleted in its entirety. The franchisor may seek injunctive relief.

6. To the extent this Addendum shall be deemed inconsistent with any terms or conditions of said Mint Condition Master Franchise Agreement, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Minnesota Addendum to the Mint Condition Master Franchise Agreement on the same date as respective Mint Condition Master Franchise Agreement was executed.

MASTER FRANCHISE OWNER:

FRANCHISOR:
MINT CONDITION FRANCHISING, INC.,
a North Carolina corporation

By: _____

By: _____

President

MINT CONDITION FRANCHISING, INC.
ADDENDUM TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT
CONTAINING THE INFORMATION
REQUIRED BY THE STATE OF NEW YORK

THIS ADDENDUM TO THE MINT CONDITION FRANCHISING, INC.
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
IS REQUIRED BY THE STATE OF NEW YORK
AND IS BEING PROVIDED TO YOU
AT THE SAME TIME AS THE
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
WHICH CONTAINS THE INFORMATION
REQUIRED BY THE FEDERAL TRADE COMMISSION

YOU SHOULD REVIEW THIS NEW YORK ADDENDUM
IN CONJUNCTION WITH THE UNIFORM FRANCHISE DISCLOSURE DOCUMENT

MINT CONDITION FRANCHISING, INC.
ADDENDUM TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT (“UFDD”)
CONTAINING THE INFORMATION
REQUIRED BY THE STATE OF NEW YORK

Table of Contents:

1.	ADDENDUM TO THE MINT CONDITION FRANCHISING, INC. UFDD REQUIRED BY THE STATE OF NEW YORK.....	3
----	---	---

ADDENDUM TO MINT CONDITION FRANCHISING, INC.
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NEW YORK

This Addendum to the Uniform Franchise Disclosure Document is set forth below in order to amend and revise the Uniform Franchise Disclosure Document as follows:

1. The Cover Page of the New York Franchise Disclosure Document shall be amended by the deletion of "Risk Factors" and replaced by the language "SPECIAL RISK FACTORS".
2. The Cover Page of the New York Franchise Disclosure Document shall be amended by the addition of the following language:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR OUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT IN MEAN THAT NEW YORK STATE RECOMMENDS IT OF HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU HEAR THAT ANYTHING IN THE 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, N.Y. 10271.

3. This paragraph shall be inserted prior to Item 1:

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. 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 PROSPECTUS.

4. Item 3, "LITIGATION", shall be amended by the addition of the following paragraphs:

Neither the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

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 allegation. In addition, include 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.

B. 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.

C. 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.

5. Item 4, "BANKRUPTCY", shall be deleted in its entirety and substituted by the following paragraph:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the 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 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

6. Item 17.d., "RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION", shall be deleted in its entirety and substituted by the following:

d. Termination by you MFA§ XVIII (A) The franchisee may terminate the

Agreement on any grounds
available by law.

7. Item 17.j., "RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION", shall be deleted in its entirety and substituted by the following:

j. Assignment of the contract by the Company	MFA § XVII	However, no assignment will be made except to an assignee who in good faith and judgment of the Franchisor, is willing and financially able to assume the Franchisor's obligation under the Master Franchise Agreement.
--	------------	---

8. Item 17.w., "RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION", shall be deleted in its entirety and substituted by the following:

w. Choice of law	MFA § XIX (E)	The forgoing choice of law should not be considered a waiver of any right conferred upon the Franchisor or upon the Franchisee by Article 33 of the General Business law of the State of New York.
------------------	---------------	--

9. To the extent this Addendum shall be deemed inconsistent with any terms or conditions of said Mint Condition Master Franchise Agreement, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this New York Addendum to the MC Master Franchise Agreement on the same date as the MC Master Franchise Agreement was executed.

MASTER FRANCHISE OWNER:

MINT CONDITION FRANCHISING, INC.,
a North Carolina corporation

By: _____
Title: _____

By: _____
Title: _____

President

**MINT CONDITION FRANCHISING, INC.
ADDENDUM TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT
CONTAINING THE INFORMATION
REQUIRED BY THE STATE OF WASHINGTON**

**THIS ADDENDUM TO THE MINT CONDITION FRANCHISING, INC.
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
IS REQUIRED BY THE STATE OF WASHINGTON
AND IS BEING PROVIDED TO YOU
AT THE SAME TIME AS THE
UNIFORM FRANCHISE DISCLOSURE DOCUMENT
WHICH CONTAINS THE INFORMATION
REQUIRED BY THE FEDERAL TRADE COMMISSION**

**YOU SHOULD REVIEW THIS WASHINGTON ADDENDUM
IN CONJUNCTION WITH THE UNIFORM FRANCHISE DISCLOSURE DOCUMENT**

**MINT CONDITION FRANCHISING, INC.
ADDENDUM TO UNIFORM FRANCHISE DISCLOSURE DOCUMENT (“UFDD”)
CONTAINING THE INFORMATION
REQUIRED BY THE STATE OF WASHINGTON**

Table of Contents:

1.	ADDENDUM TO THE MASTER FRANCHISE AGREEMENT REQUIRED BY THE STATE OF WASHINGTON.....	3
-----------	--	----------

ADDENDUM TO MINT CONDITION FRANCHISING, INC. ("MC")
MASTER FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF WASHINGTON

This Addendum to the MC Master Franchise Agreement is executed contemporaneously with the execution of the MC Master Franchise Agreement between Mint Condition and Master Franchise Owner as set forth below in order to amend and revise the MC Master Franchise Agreement as follows:

1. Section XVI shall be amended by the addition of the following language:

Transfer fees are collectable to the extent that they reflect the Franchisor's reasonable estimated or actual costs in effecting a transfer.

2. Section XIX (E) shall be amended by the addition of the following language:

Master Franchise Owner is encouraged to consult private legal counsel to determine the applicability of Washington and federal laws (such as the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW which may prevail) to any provisions of the Master Franchise Agreement requiring application of laws outside of the State of Washington. These provisions may not be enforceable under Washington law.

3. If a release or waiver of rights is executed by a Master Franchise Owner, it shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonable restrict or limit the statute of limitations period for claims under the Act, right or remedies under the Act such as a right to a jury trial may not be enforceable.
4. To the extent this Addendum shall be deemed inconsistent with any terms or conditions of said MC Master Franchise Agreement the terms of this Addendum shall govern.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Washington Addendum to the MC Master Franchise Agreement on the same date as the MC Master Franchise Agreement was executed.

MASTER FRANCHISE OWNER:

MINT CONDITION FRANCHISING, INC.,
a North Carolina corporation

By: _____
Title: _____

By: _____
Title: _____
 ____ President

FRANCHISE DISCLOSURE DOCUMENT



Mint Condition Franchising, Inc.
A North Carolina Corporation
1057 ~~Red Ventures~~ ~~521 Corporate Center Drive~~,
Suite 165
Fort Mill, South Carolina 29707
Phone: (803) 548-6121
jsaumby@mintconditioninc.com
Website: www.mintconditioninc.com

The franchisee will operate a Mint Condition® master franchise business offering janitorial services.

The total investment necessary to begin operation of a Mint Condition janitorial master franchise business is from \$63,220 to \$473,435. This includes \$37,500 to \$400,000 that must be paid to the franchisor.

This Franchise Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Franchise Disclosure Document and all accompanying agreements carefully. You must receive this Franchise 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 Franchise Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Jack Saumby at 1057 ~~Red Ventures~~ ~~521 Corporate Center Drive~~, Suite 165, Fort Mill, South Carolina 29707, (803) 548-6121.

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

Buying a franchise is a complex investment. The information in this Franchise 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 Franchise 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: February 20, 2014~~3~~

Master FDD 02/20/14~~3~~

STATE COVER PAGE

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

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

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

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

1. THE FRANCHISE AGREEMENT REQUIRES THAT ANY ACTION BROUGHT BY EITHER PARTY AGAINST THE OTHER IN ANY COURT SHALL BE BROUGHT WITHIN THE STATE OF NORTH CAROLINA. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE IN NORTH CAROLINA THAN IN YOUR HOME STATE. THIS PROVISION IS SUPERSEDED BY CERTAIN STATE LAWS.
2. THE FRANCHISE AGREEMENT STATES THAT NORTH CAROLINA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. IF YOU ARE IN A STANDARD TERRITORY, WHICH CONSISTS OF 600,000 OR MORE PEOPLE IN THE POPULATION, THEN YOU MUST PAY US MINIMUM ROYALTY FEES OF \$250 EACH MONTH FOR MONTHS 4-12; \$500 EACH MONTH FOR MONTHS 13-24; \$1,000 EACH MONTH FOR MONTHS 25-36; \$1,500 EACH MONTH FOR MONTHS 37-48; \$2,000 EACH MONTH FOR MONTHS 49-60; \$2,500 EACH MONTH FOR MONTHS 61-72; AND \$3,000 EACH MONTH FOR MONTHS 73-240. IF YOU ARE IN A SMALL TERRITORY WHICH CONSISTS OF LESS THAN 600,000 PEOPLE IN THE POPULATION THEN YOU MUST PAY US MINIMUM ROYALTY FEES OF \$250 EACH MONTH FOR MONTHS 4-12; \$500 EACH MONTH FOR MONTHS 13-24; \$750 EACH MONTH FOR MONTHS 25-36; \$1,000 EACH MONTH FOR MONTHS 37-48; \$1,250 EACH MONTH FOR MONTHS 49-60; \$1,500 EACH MONTH FOR MONTHS 61-72; AND \$2,000 EACH MONTH FOR MONTHS 73-240. THESE FEES ARE DUE EVEN IF YOUR FRANCHISE HAS NO REVENUE.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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

STATE EFFECTIVE DATES

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

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

California	Effective	06/01/12
Illinois	Effective	04/23/134/12
Indiana	Effective	06/03/132
Michigan	Effective	09/21/132
Minnesota	Effective	05/02/134/25/12
New York	Effective	07/31/135/16/12
Utah	Effective	10/10/135/12
Virginia	Effective	02/20/13 <u>Post effective Amendment date 02/21/13</u>
Washington	Effective	04/29/133/30/12
Wisconsin	Effective	04/23/134/12

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of February 20, 20143.

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES.....	6
2. BUSINESS EXPERIENCE	8
3. LITIGATION	9
4. BANKRUPTCY	9
5. INITIAL FEES.....	9
6. OTHER FEES	9
7. ESTIMATED INITIAL INVESTMENT.....	13
8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.....	17
9. FRANCHISEE’S OBLIGATIONS	21
10. FINANCING	23
11. FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING	23
12. TERRITORY	27
13. TRADEMARKS	28
14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION.....	29
15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS.....	30
16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	31
17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	32
18. PUBLIC FIGURES	35
19. FINANCIAL PERFORMANCE REPRESENTATIONS	36
20. OUTLETS AND FRANCHISEE INFORMATION	39

21.	FINANCIAL STATEMENTS.....	49
22.	CONTRACTS	50
23.	RECEIPT.....	51

EXHIBITS TO FRANCHISE DISCLOSURE DOCUMENT:

A --	STATE ADMINISTRATORS	52
B --	AGENTS FOR SERVICE OF PROCESS.....	54
C --	INTENTIONALLY DELETED	56
D --	MASTER FRANCHISE AGREEMENT	57
D-1 --	INDIVIDUAL FRANCHISE AGREEMENT TEMPLATE.....	58
E --	AUDITED FINANCIAL STATEMENTS OF FRANCHISOR	59
F --	CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT	60
G --	GUARANTY OF MASTER FRANCHISE OWNER'S UNDERTAKINGS	63
H --	LIST OF MINT CONDITION FRANCHISED BUSINESSES	65
I --	NON-DISCLOSURE AND NON-COMPETITION AGREEMENT	92
J --	AGREEMENT FOR ASSIGNMENT OF OFFICE LEASE.....	99
K --	TABLE OF CONTENTS FOR MASTER FRANCHISE MANUAL	101
L --	STATE ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT.....	111

Item 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor. Mint Condition Franchising, Inc. was incorporated in North Carolina (“We”, “Us”, the “Company”, or “Mint Condition”). Our principal business and mailing address is 1057 Red Ventures 521 Corporate Center Drive, Suite 165, Fort Mill, South Carolina 29707. Our agent for service of process is disclosed in Exhibit B. “We”, “Us”, the “Company”, or “Mint Condition” means Mint Condition Franchising, Inc., the Franchisor, (but not Mint Condition’s officers, directors, agents or employees). “You”, “Franchisee” or “Master Franchise Owner” means the person who buys a Master Franchise from us. If you are a corporation, partnership, limited liability company or other entity, our Master Franchise Agreement also will apply to your owners, officers, directors, members and/or managers. Unless otherwise indicated, the term “Franchised Location” or “Master Franchised Business” means a franchised Mint Condition Master Franchised Business.

We operate under the name “Mint Condition.” With a Mint Condition Master Franchise, you are granted a metropolitan area, or part of a metropolitan area, as your exclusive territory. Within your exclusive territory, you will be responsible for acquiring commercial office cleaning contracts. You also grant, provide training, and administer the janitorial franchises (“Individual Franchised Business” or “Janitorial Franchises”) that in turn provide the actual cleaning services. If necessary, the Master Franchise Owner will provide cleaning services to its clients on an interim basis when Janitorial Franchises are not available.

We offer and sell franchises for Mint Condition Master Franchised Businesses. We also directly offer and sell Individual Franchised Businesses pursuant to a separate Franchise Disclosure Document. We have no other business activity.

Our Predecessors, Affiliates and Parents. We have no predecessors, affiliates or parent companies.

The Mint Condition Master Franchise Program. Under the Master Franchise Agreement (the “Master Franchise Agreement” or the “Agreement”), which is Exhibit D to this Franchise Disclosure Document, Mint Condition grants qualified purchasers the right to establish and operate from a single location (the “Location”) a Master Franchised Business within a specified Territory (the “Territory”). You may operate the Master Franchised Business from your commercial location.

In order to sell Individual Franchised Businesses you must create a Franchise Disclosure Document that conforms with federal and state law and regulation. Some states require that your Franchise Disclosure Document be registered in the state in a form acceptable to the state before you may offer franchises for sale.

The primary services of an Individual Franchised Business include offering to its customers janitorial cleaning and maintenance of commercial buildings. In addition, they may be able to offer carpet cleaning, tile floor cleaning and stripping, window washing, and other specialty cleaning services, on a daily, weekly, monthly or on an as needed basis. The Individual Franchised Business will perform these services for its customers that you as the Master

Franchise Owner find for them or they find for themselves. The Master Franchise Owner will handle all billing and collection matters for its Individual Franchised Business.

The total range of investment that an Individual Franchise Business must make is from \$4,890 to \$45,400. The franchise fee that you may charge ranges from \$3,000 to \$22,000.

The Agreement gives you the right to operate the Master Franchised Business under the name and mark “Mint Condition” and other marks designated by us from time to time (all referred to as the “Proprietary Marks”). Mint Condition has the right to replace or substitute marks at any time. You must operate in accordance with the standards and procedures designated by Mint Condition (the “System”), and according to Mint Condition’s Operations Manuals (the “Manual”), within a specified Territory. You must operate your business under the Mint Condition name and Proprietary Marks.

Market and Competition. The market for janitorial services consists of customers for commercial cleaning contracts, predominately smaller single tenant office buildings and tenants in business parks. This market is developed to different degrees in different areas.

If you open a Mint Condition Master Franchised Business, your competition will include other businesses offering similar products and services to the general public. Your competitors may be national chains or local independent businesses.

Laws and Regulations. Except for the laws relating to the proper use and disposal of chemicals, there are no specific federal or state laws relating to the operation of your Master Franchised Business, but there may be laws and regulations in your state or county that may apply to the operation of the Master Franchised Business. Prior to selling franchises to Janitorial Franchise Owners, Master Franchise Owner must create and register its own Franchise Disclosure Document in compliance with the requirements of the Federal Trade Commission and applicable state franchise laws or regulations. In addition to laws and regulations that apply to businesses generally, the Master Franchised Business may be subject to federal, state and local occupational safety and health regulations, Equal Employment Opportunity and Americans with Disabilities Act rules and regulations. Some jurisdictions may choose to regulate vigorously these and other laws that may adversely affect your ability to obtain the proper permits needed in order to open a Mint Condition Master Franchised Location. Prior to signing the Agreement, we strongly recommend that you make sure that you will be able to obtain all necessary permits and licenses in order to operate the Master Franchised Business in your Territory.

Prior Business Experience of Franchisor. We are engaged in selling franchises to operate a Mint Condition Master Franchised Business and Individual Franchised Businesses. We have been offering and selling Mint Condition Individual Franchised Businesses since December, 1996, and Mint Condition Master Franchised Businesses since November, 2004. As of end of our last fiscal year, December 31, 2013~~2~~, there were ~~272~~²³⁶ Individual Franchised Businesses and ~~104~~ Master Franchised Businesses in the Mint Condition System. ~~One Hundred Thirteen~~^{Eighty-eight} (113~~88~~) of the Individual Franchised Businesses and the ~~teneleven~~¹⁰⁴ (104) Master Franchised Businesses were our direct franchisees. Except as described above, we have not engaged in, or offered franchises in, any other lines of business.

Item 2

BUSINESS EXPERIENCE

President and Chairman of the Board: John F. (Jack) Saumby

Mr. Saumby served as our President and Chairman of the Board since its inception in October, 1996. Mr. Saumby founded Maintenance World, Inc. in Charlotte, North Carolina with Ms. Marcy Saumby in June, 1987 and has served as its President and Chairman of the Board since its founding. Maintenance World, Inc. has operated in a similar manner as the Franchised Business described in this disclosure document and became a franchisee of Mint Condition on December 15, 1998 but discontinued operations in 2009.

Secretary/Treasury and Director: Marcy L. Saumby

Ms. Saumby has served as our Secretary/Treasurer and a Director of Mint Condition since its inception in October, 1996. Ms. Saumby founded Maintenance World, Inc. in Charlotte, North Carolina with Mr. Jack Saumby in June, 1987 and has served as its Secretary/Treasurer and a Director since its founding but discontinued operations in 2009.

Director of Operations: Ron Colello

Mr. Colello has served as our Director of Operations since January, 2008 in Fort Mill, South Carolina. ~~From February, 2005 to January, 2008, Mr. Colello served as our Operations Manager in Fort Mill, South Carolina.~~

Area Manager: Edwin Arce, Jr.

Mr. Arce has served as our Area Manager since January, 2013 in Fort Mill, South Carolina. From June, 2010 to July, 2012, Mr. Arce served as a Special Service Team Manager for PreGel America, Inc. in Concord, North Carolina. From July, 1999 to November, 1999, Mr. Arce served as an Accounting Officer and Trainer for the United States Marine Corps in Quantico, Virginia.

Area Manager: Lori Foster

Ms. Foster has served as our Area Manager since October, 2013 in Fort Mill, South Carolina. From June, 2000 to October, 2013, Ms. Foster owned and operated Lori Foster Cleaning Service in St. Johns, Florida.

Area Manager: Mike Gallicano

Mr. Gallicano has served as our Area Manager since June, 2013 in Fort Mill, South Carolina. From March, 2010 to June, 2013, Mr. Gallicano served as a Store Manager for Restaurant Depot, LLC in Davie, Florida. From February, 2007 to March, 2010, Mr. Gallicano served as a Director of Retail Operations for Isle of Capri Casinos, Inc. in Pompano Beach, Florida.

Area Manager: Ryan Gerbino

Mr. Gerbino has served as our Area Manager since September, 2012 in Fort Mill, South Carolina. From November, 2009 to August, 2012, Mr. Gerbino served as an Area Field Supervisor for Askar Management Group, LLC in Bloomfield Hills, Michigan. From June, 1999 to November, 2009, Mr. Gerbino served as a General Manager for Atipa, Inc. in Sterling Heights, Michigan.

Area Manager: Kyle Paulson

Mr. Paulson has served as our Area Manager since April, 2012 in Fort Mill, South Carolina. From July, 2010 to April, 2012, Mr. Paulson served as our Account Executive in Fort Mill, South Carolina. From February, 2010 to July, 2010, Mr. Paulson served as a Sales Representative for Linmark Interiors, Inc. in Matthews, North Carolina. From June, 2009 to February, 2010, Mr. Paulson was a Unit Manager for Waffle House in Norcross, Georgia. From November, 2007 to June, 2009, Mr. Paulson served as a Sales Representative for Linmark Interiors, Inc. in Matthews, North Carolina.

Field Consultant: Lillian Lewis

~~Ms. Lewis, has served as our Field Consultant since October, 2000 in Fort Mill, South Carolina.~~

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**

You must pay us an Initial Franchise Fee upon signing the Master Franchise Agreement. This Initial Franchise Fee varies, with a minimum of \$37,500 or \$84 per 1,000 of population in your Territory, whichever is greater. Population numbers are based on the most recent U.S. Census Bureau data available. You must pay in full by certified check, cashier's check, or another form of payment that is acceptable to us at the time you sign the Master Franchise Agreement.

In our previous fiscal year we did not receive any Initial Franchise fees.

The Initial Franchise Fee is fully earned and non-refundable in consideration of administrative and other expenses we incur in entering into the Master Franchise Agreement and for our lost or deferred opportunity into a Master Franchise Agreement with others.

Item 6

OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty Fee	Starting in the 4 th month, 4% of Gross Monthly Revenues or the minimum monthly fee must be paid	By the 20 th day of the following month	See Note 1 below
Franchise Sales of Individual Franchised Businesses	8% of the monies received by Master Franchise Owner	By the 20 th day of the following month	See Note 2 below
National Advertising Fund	No Fund in existence but we have the right to create a Fund	To be determined in the future	See Note 3 below
Marketing for Individual Franchised Businesses	\$1,000 per month for 24 months and increasing amounts thereafter	Must send evidence at the start of each calendar quarter	See Note 4 below
Marketing for New Cleaning Accounts	\$1,000 per month for 24 months and increasing amounts thereafter	Must send evidence at the start of each calendar quarter	See Note 5 below
Late Payment	\$100 per incident plus 1½% interest per month, or maximum allowed by law	When payment is overdue	See Note 6 below
Transfer Fee	10% of then current Initial Master Franchise Agreement or \$10,000, whichever is greater	Before transfer is effective	See Note 7 below
Renewal Fee	10% of then current Initial Franchise Fee	Upon signing new Franchise Agreement	See Note 8 below
Additional Training, Assistance & Refresher Training	Reasonable per diem amount to be charged by the Company	Before Additional Training, Assistance or Refresher Training begins	See Note 9 below
Temporary Management	\$500 per day plus out of pocket expenses	As billed by Franchisor	See Note 10 below
Attorney Fees and Costs	Actual fees and costs	After adjudication of legal matter	See Note 11 below
Supplier Approval	Actual costs of supplier Approval	Upon receipt of bill	See Note 12 below

Audit Costs	Actual costs of audit plus interest on amount of overdue monies	Upon receipt of bill	See Note 13 below
Software Updates	Actual costs of updated software programs and training (if applicable)	Upon receipt of bill	See Note 14 below
Indemnification	Actual costs of indemnifications	Upon receipt of bill	See Note 15 below

All of the fees listed above are uniformly imposed by and payable to Mint Condition Franchising, Inc., or third party vendor. All fees are nonrefundable.

FOOTNOTES TO ITEM 6: OTHER FEES

Note 1 Royalty Fee

You must pay to us, commencing in the fourth month after the Master Franchised Business opens, a Royalty Fee equal to the greater of four percent (4%) of the Gross Revenues collected by you or the minimum Royalty Fee. The Royalty Fee that is payable for all Gross Revenues collected by the Master Franchise Owner, as defined in the Agreement, shall be paid to the Company by the 20th day of the following month.

The minimum Royalty Fee for the Standard Territory, which consists of 600,000 or more population in your territory, ("Standard Territory") for the term of the Agreement is as follows: for months 1-3, \$0 minimum monthly fee; for months 4-12, \$250 minimum monthly fee; for months 13-24, \$500 minimum monthly fee; for months 25-36, \$1,000 minimum monthly fee; for months 37-48, \$1,500 minimum monthly fee; for months 49-60, \$2,000 minimum monthly fee; for months 61-72, \$2,500 minimum monthly fee; and for months 73-240, \$3,000 minimum monthly fee. The minimum Royalty Fee for a Small Territory, which consists of less than 600,000 population, ("Small Territory") for the term of the Agreement is as follows: for months 1-3, \$0 minimum monthly fee; for months 4-12, \$250 minimum monthly fee; for months 13-24, \$500 minimum monthly fee; for months 25-36, \$750 minimum monthly fee; for months 37-48, \$1,000 minimum monthly fee; for months 49-60, \$1,250 minimum monthly fee; for months 61-72, \$1,500 minimum monthly fee; and for months 73-240, \$2,000 minimum monthly fee.

The term "Gross Revenues" as defined further in the Manual, means all income for any cleaning or maintenance services, whether for contract services, sales of supplies, equipment or other goods; initial cleans; one-time cleaning services; extra work performed; and any other revenue related to, connected with or derived from the provision of any janitorial, cleaning and maintenance services, including commercial, industrial, institutional and services, whether any such services are provided by Master Franchise Owner or any of your Janitorial Franchise Owners. Cash refunded and credit given to customers will be deducted from Gross Revenues, but not credits for poor performance or lack of service.

Note 2 Franchise Sales of Individual Janitorial Franchise Agreements

You must pay to us a Royalty Fee calculated at the time you complete the sale of an Individual Franchised Business. The Royalty Fee that you must pay to the Company for such sales of Individual Franchised Businesses shall be 8% of the total cash payment that you received for each franchise, including all Initial Franchise Fees, as well as deferred down payments and upgrades through the Business Procurement Fee, and renewal fees and transfer fees received from your Janitorial Franchise Owners. The Business Procurement Fee that you may charge is based on business you offer to an

Individual Franchised Business that is in excess of your original commitment of janitorial and maintenance business to an Individual Franchised Business. If an Individual Franchised Business accepts the offer of additional business from you, you may charge a Business Procurement Fee to the Individual Franchised Business. The Business Procurement Fee is two (2) times the monthly gross revenues of the additional business offered to the Individual Franchised Business equal to 9% of the revenue derived from the additional business. For accounts with gross monthly revenues of \$2,000 or more, you may charge a single payment of three (3) times the monthly gross revenues from the additional business instead of the 9% fee otherwise charged for the Account Replacement Program.

If any part of the Individual Janitorial Initial Franchise Fee is financed, a Royalty shall be due and payable to the Company on the total monthly note payments, including any interest charged on the financing thereof. The royalty payable on any franchise sold shall be paid to us by the 20th day of the following month from the date the Janitorial Franchise Agreement payment has been received by the Master Franchise Owner.

Note 3 National Advertising Fund

We have the right to create a National Advertising Fund (the “Fund”) in an amount to be determined in the future. When the National Advertising Fund is implemented by the Company, you must pay an amount of money not to exceed 2% of your Monthly Gross Revenues and shall be paid by the date that is determined when implemented.

Note 4 Marketing for Individual Franchised Businesses

You must create a marketing plan in order to recruit qualified Individual Franchised Businesses. We must pre-approve all marketing plans that you intend to implement for such recruiting purposes. You must spend, as a minimum, the following amounts of money per month for such marketing purposes: for months 1-24, \$1,000 per month; for months 25-48, \$1,250 per month; for months 49-72, \$1,500 per month; for months 73-96, \$1,750 per month; and months 97-240, \$2,000 per month. These amounts are minimum amounts that are required in your contract. These amounts are based on our experience, but your marketing expenses may be significantly different.

Note 5 Marketing for New Cleaning Accounts

You must create a marketing plan in order to secure new cleaning accounts for your Individual Franchised Business. The Company must pre-approve all marketing plans that you intend to implement for such marketing purposes. You must spend, as a minimum, the following amounts of money per month for such marketing purposes: for months 1-24, \$1,000 per month; for months 25-48, \$1,250 per month; for months 49-72, \$1,500 per month; for months 73-96, \$1,750 per month; and for months 97-240, \$2,000 per month. These amounts are minimum amounts that are required in your contract. These amounts are based on our experience, but your marketing expenses may be significantly different.

Note 6 Late Payment

If you fail to pay your Royalty Fee, any advertising expenditure, equipment or supplies purchased from the Company, or its affiliated companies (if applicable), you are subject to a late fee of \$100 per incident plus 1½% interest per month of the unpaid balance, or the maximum permitted by law, whichever is higher.

Note 7 Transfer Fee

The Company will charge a transfer fee of 10% of the then-current Initial Master Franchise Fee charged by the Company in the then-current Master Franchise Agreement, or \$10,000, whichever is greater. There are other conditions for transfer. (See Item 17 in this Franchise Disclosure Document)

Note 8 Renewal Fees

When you renew your Mint Condition Master Franchise Agreement, the Company charges a renewal fee of 10% of the then-current Initial Master Franchise Fee. There are other conditions for renewal. (See Item 17 in this Franchise Disclosure Document).

Note 9 Additional Training, Assistance and Refresher Training

The Company will provide initial training for the Master Franchise Owner and his or her designated representative at no extra charge. The Company permits the Master Franchise Owner to send additional persons to the initial training class on a space-available basis and may charge a fee, to be based upon a daily per diem charge as outlined in the Company's Manual. The Company also reserves the right to charge per diem charges for other training courses. As of the date of this Franchise Disclosure Document, the daily per diem charge ranges from \$300-\$600, depending upon the Company's personnel involved in such training. The Master Franchise Owner is also responsible for all out-of-pocket expenses (including travel costs, if any) involved in such additional training, assistance or refresher training.

Note 10 Temporary Management

If at any time you have no one who has successfully completed the Company's initial training program available to manage your Master Franchised Business, then we have the right to provide a temporary manager to operate your Master Franchised Business at a fee of at least \$500 per day, per person, plus all out-of-pocket expenses.

Note 11 Attorney Fees

The prevailing party in any legal proceeding between you and the Company will have its attorneys' fees and costs paid by the other party in such legal proceedings.

Note 12 Supplier Approval

We reserve the right to charge you a fee for reviewing a proposed supplier of any goods to be used in connection with the franchise. If the Company determines that it is necessary to inspect the supplier's facilities or conduct tests, the Company will require you or the supplier to pay the Company's actual costs incurred for such inspection and testing.

Note 13 Audit

If we audit your business and find that you have underreported your Gross Monthly Revenues by 5% or more during any month, or you have failed to provide certain supporting records to Mint Condition Franchising, Inc., then you will be required to pay the costs of the audit. You will also be required to pay interest on past-due amounts. We reserve all of our other rights for breach of contract, as noted in the Agreement.

Note 14 Software Updates

You must purchase all updates for your software programs, as sent to you by the software provider(s). We will also send to you software updates, as we deem necessary, for any changes that are needed for the Manual or other materials that we have prepared for your benefit.

Note 15 Indemnification

You are solely responsible for and must indemnify and hold us harmless for all loss, damage, claims or demands arising in connection with your operation of a Mint Condition Master Franchised Business.

Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Master Franchise Fee (Note 1)	\$37,500 to \$400,000 based upon \$84 per 1,000 population in Territory, or \$37,500, whichever is greater	Payment in Immediately Available Funds	Upon signing of Master Franchise Agreement	Franchisor
Initial Office Supplies (Note 2)	\$900 to \$1,100	As Incurred	As Arranged	Vendors
Initial Franchise Supplies (Note 3)	\$500 to \$650	As Incurred	As Arranged	Vendors
Initial Rent and Deposit (Note 4)	\$1,650 to \$2,660	As Incurred	Upon signing Lease Agreement	Lessor
Office Furniture and Equipment (Note 5)	\$300 to \$500	As Incurred	Upon signing Lease Agreement	Vendors
Printing (Note 6)	\$1,225 to \$1,560	As Incurred	As Arranged	Vendors
Permits, Licenses, and Fees (Note 7)	\$50 to \$100	As Incurred	As Arranged	Governmental Agencies
Insurance Deposits (Note 8)	\$2,300 to \$3,500	As Incurred	As Arranged	Insurance Carrier or Broker
Legal Fees (Note 9)	\$3,600 to \$5,300	As Incurred	As Arranged	Attorney
Travel for Initial Training (Note 10)	\$1,800 to \$3,000	As Incurred	As Arranged	Vendors
Computer Software (Note 11)	\$ 1,695 to \$6,215	As Incurred	As Arranged	Vendors
Computer Hardware (Note 12)	\$5,000 to \$5,700	As Incurred	As Arranged	Vendors
Telephone System	\$500 to \$750	As Incurred	As Arranged	Vendors

(Note 13)				
Décor Items (Note 14)	\$200 to \$400	As Incurred	As Arranged	Vendors
Marketing for Janitorial Franchise Owners (1 st 3 Months) (Note 15)	\$3,000 to \$7,500	As Incurred	As Arranged	Vendors
Marketing for New Commercial Accounts (1 st 3 Months) (Note 16)	\$3,000 to \$4,500	As Incurred	As Arranged	Vendors
Additional Funds (3 months initial phase) (Working Capital) (Note 17)	\$0 to \$30,000	As Incurred	As Arranged	Vendors
TOTAL	\$63,2020 to \$473,435			

None of the payments shown are refundable except office rent deposits. We do not finance any part of the initial investment. The figures and footnotes listed in this Item 7 of the Franchise Disclosure Document are estimates and we cannot guarantee that you will not have additional expenses starting your Mint Condition Master Franchise Business. Actual costs will vary for each Master Franchise Owner depending on a number of factors. These estimates also do not include any compensation for the Master Franchise Owner or personal living expenses. Your costs will depend on factors such as how well you follow our methods and procedures; your management skills; your business experience and capabilities; local economic conditions; the local market for our products and services; the prevailing wage rates; competition; and sales levels reached during your initial phase of business operations. We relied on our experience in this segment of the janitorial cleaning industry in compiling these estimates. You should review these figures carefully with a business advisor before making any decision to purchase this franchise opportunity.

FOOTNOTES TO ITEM 7: ESTIMATED INITIAL INVESTMENT

Note 1 Initial Master Franchise Fee

The Initial Master Franchise Fee is based upon the size of the Exclusive Territory you are awarded. This Fee will be based on \$84 per 1,000 population, or \$37,500, whichever is greater. You must pay the Fee in cash.

Note 2 Initial Office Supplies

We estimate that the initial office supplies will be approximately \$900-\$1,100. Some of the initial office supplies will include pens, pencils, yellow pads, folders, paper clips, binder clips, stamps, and other general office supplies.

Note 3 Initial Franchise Supplies

We estimate that the initial franchise supplies will be approximately \$500 to \$650. Some of the initial franchise supplies include aprons, logo shirts, camera and film, and training videos and sufficient items of equipment and supplies in the event you provide cleaning services to your customers on an interim basis if a designated Individual Franchisee is not available.

Note 4 Initial Rent and Deposit

We estimate that the initial rent and deposit for your office will be \$1,650 to \$2,660. These expenses are estimated to be the first month's rent and a security deposit equal to another month's rent, both paid in advance. You are required to maintain an appropriate business office, which must be approved by us for both location and decor. We anticipate that your office will be in an Executive Office Suite environment.

Note 5 Office Furniture and Equipment

We estimate that your expenses for office furniture and equipment will be approximately \$300 to \$500. Some of the office furniture and equipment will include desks, chairs, file cabinets, and bookcases. Generally the office furniture will be included in the lease package.

Note 6 Printing

We estimate that your expenses for printing will be approximately \$1,225 to \$1,560. Such printing costs will include business cards, letterhead, envelopes, invoices, checks, marketing materials and forms.

Note 7 Permits, Licenses and Fees

We estimate that your expenses for permits, licenses and fees will be approximately \$50 to \$100. You are required to pay all applicable permits, licenses, or fees, which vary depending on the location and governmental jurisdictions.

Note 8 Insurance Deposits

We estimate that your expenses for insurance deposits will be approximately \$2,300 to \$3,500. Such insurance costs include Workers' Compensation, General Liability, and Bonding for all Individual Franchised Businesses, subcontractors, and employees. In addition, the Master Franchise Owner must include hired and unowned auto coverage as well as content insurance for their place of business. The Master Franchise Owner will generally be required to pay a percentage of the initial premium up-front with installments paid monthly. At the time of first obtaining insurance coverage, and any subsequent time that the Master Franchise Owner desires to obtain a different insurance carrier, the Company must give to you prior approval of the insurance carrier. Your insurance must make provisions for the Company to be named as an additional insured on the policy or policies, and further require the insurance carrier to provide to us a copy of your newly issued policy or policies.

Note 9 Legal Fees

We estimate that your expenses for legal fees will be approximately \$3,600 to \$5,300. The legal fees are paid to retain an attorney to assist the Master Franchise Owner in certain tasks including incorporating your business or choosing another form of organization which he/she desires (e.g. corporate, partnership, sole proprietor, limited partnership) and reviewing your Lease Agreement or other contracts or agreements. Your attorney will also be needed to prepare the Franchise Disclosure Document package of legal documents for your selling Janitorial Franchise Agreements in your Territory. The Company will

provide you and your attorney with a sample template of the Franchise Disclosure Document and Janitorial Franchise Agreement for your usage.

Note 10 Travel for Initial Training

We estimate that your travel expenses for your initial training will be approximately \$1,800 to \$3,000. These costs can vary significantly depending on the number of people trained, the distance traveled, lodging, meals and other factors. The length of stay for the initial training program is estimated to be up to 10 business days at the Company's Home Office.

Note 11 Computer Software

We estimate that your expenses for computer software and internet programs will be approximately \$1,695 to \$6,215. The computer software and internet program (the Mint Condition Customized Software System) is an important part of our operating system and covers such topics as our accounting system, bidding and estimating program and the customer relations management program. You are required to use all computer software that is designated by us. These costs will also include the initial set up of all software systems and the business package including a prospect database to support the customer relations management program. The customer relations management software will need to be purchased. The accounting and bidding and estimating software will be available through a licensing agreement. This software will be provided remotely through a web-based platform. The cost for the accounting software will also include the initiation and set up fee, along with the first month for the service fee and license fee. This does not include any costs for updating software required by the vendor. We will be allowed remote access to these software systems. These costs are based on a two-person office in which one concurrent user is available. If additional users are added, additional costs would be incurred.

Note 12 Computer Hardware

We estimate that your expenses for computer hardware will be approximately \$5,000 to \$5,700. You will need two (2) IBM PC compatible computers with the software that normally accompanies such computers and a printer/copier/fax. One (1) computer will be utilized in the daily operations of the Master Franchised Business, including correspondence, contact manager, accounting and bidding and estimating potential new customer accounts. You will also need a second computer for your Master Franchised Business operations.

Note 13 Telephone System

We estimate that your expenses for a telephone system will be approximately \$500 to \$750. This telephone system will include two lines, a fax line, DSL/Voice Mail and an answering service on one of the lines. These prices are assuming that you are purchasing this system through your Executive Suite Office complex.

Note 14 Décor Items

We estimate that your expenses for décor items will be approximately \$200 to \$400. These décor items include plants, pictures, and clocks.

Note 15 Marketing for Individual Franchised Businesses

We estimate that your expenses for marketing for Individual Franchised Businesses will be approximately \$3,000 to \$7,500. You are required to spend a minimum of \$1,000 per month on marketing for the recruitment of new Individual Franchised Businesses.

Note 16

Marketing for New Commercial Accounts

We estimate that your expenses for marketing new commercial accounts will be approximately \$3,000 to \$4,500. You are required to spend a minimum of \$1,000 per month on marketing for new commercial accounts.

Note 17

Additional Funds

The estimate of additional funds is based on an owner-operated business and does not include any allowance for an owner's draw. The estimate of \$0 to \$30,000 is for a period of at least three months excluding the owner's salary. The Company estimates that, in general, you may expect to put additional cash into the business during at least the first three months, and sometimes longer, but the Company cannot estimate or promise when or whether, you will achieve a positive cash flow or profits.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Suppliers. You must purchase specified products, procure all equipment, furniture, printing and office décor items required for the operation of the Mint Condition Master Franchised Business solely from suppliers (including distributors, manufacturers, and other sources) who have been approved in writing by the Company, as set forth in the Manual. We maintain written lists of approved items of equipment and supplies (by brand name and/or by standards and specifications) and lists of approved suppliers for those items. The Company updates its lists from time to time and issues the updated lists to all Master Franchise Owners.

The Company will furnish its standards and specifications, as well as its criteria for supplier approval, to Master Franchise Owner on request on a confidential basis. All such suppliers and approved vendors will be listed in the Manual, which must always be followed, even as modified by the Company from time to time.

If you desire to purchase any items from an unapproved supplier, you or the supplier must submit to the Company a written request for written approval. We will consider all relevant factors in such approval request, including the quality of goods and services, capacity of supplier, financial condition, terms and other requirements consistent with other supplier relationships. The Company does not have any specific written criteria. We may inspect the supplier's facilities and require that samples from the supplier be delivered or made available to the Company or its designee for testing. You or the proposed supplier shall pay to the Company in advance all of our reasonable costs in regard to inspecting the supplier, its facilities and the items involved (See Item 6 concerning the supplier approval fee). The Company will normally notify the supplier and/or Master Franchise Owner of its decision to approve or disapprove within ninety (90) days after receiving such a request. The Company may from time to time re-inspect the facilities and products of any previously approved supplier at your expense or the expense of such supplier. The Company may revoke its approval if the supplier fails to meet any of the Company's standards and specifications at any time.

Purchases from Us. We are an approved supplier of equipment, supplies and insurance to Individual Franchise Businesses, but you are not obligated to purchase or lease any equipment, supplies or insurance from us. We do not provide material benefits to a Master Franchise Owner

for use of designated or approved suppliers. Our President, John Saumby, owns Mint Condition Franchising, Inc., the franchisor. There are no other approved suppliers in which any of our officers owns an interest. Mint Condition's 2013~~2~~ total revenues were \$3,584,815~~3,092,298~~ of which \$158,144~~123,411~~ was from purchases by Individual Franchise Businesses for items and services our franchisees are required to make. These revenues were for the purchase of supplies, equipment and insurance, and they were 4.4~~0~~% of our 2013~~2~~ revenues. - We did not receive any revenue for required purchases or leases from Master Franchise Owners. No affiliate of ours received revenues from franchisees.

Approval of the Mint Condition Master Franchise Location. You must occupy your Mint Condition Master Franchised Business, normally under a Lease Agreement with a lessor. You must, prior to execution of the lease, submit the lease to us for our written approval. Our approval of the lease may be conditioned upon various factors relating to the market area in which your customers may be derived. Some of the factors we will analyze in approving such market area include the general location and neighborhood, access to the proposed location, proximity to major roads and parking facilities. At the beginning of your Master Franchised Business operations, we recommend that you rent an office in an Executive Office complex. Our approval of the lease may be conditioned upon the inclusion in your lease of the following terms and conditions:

- a. That the use of the leased premises will be restricted solely to the operation of the Master Franchised Business;
- b. That you will be prohibited from subleasing or assigning all or any part of your occupancy rights or extending the term of or renewing the lease without our prior written consent;
- c. That the lessor provide to us copies of any and all notices of default to you under the lease; and
- d. That we (or our designee) have the option, upon default, expiration, or termination of the Franchise Agreement, and upon notice to the lessor, to assume all of your rights under the lease terms, including the right to assign or sublease.

You must furnish to us a copy of any executed lease agreement with your lessor within 10 days after its execution. At the time you open your Mint Condition Master Franchise, you must order the initial office supplies and franchise supplies required by us as outlined in the Manual, or otherwise in writing. After the opening of your Master Franchised Business, you must stock and maintain all types of approved products and services in quantities sufficient to meet reasonably anticipated customer demands.

Specifications and Standards. You must purchase certain products, supplies and equipment under specifications and standards that we periodically establish either in the Master Franchise Agreement, Manuals or other notices we send to you from time to time. These specifications are established to provide standards for performance, durability, design and appearance. We will notify you whenever we establish or revise any of our standards or specifications, or if we designate approved suppliers for products, equipment or services.

We may choose to negotiate purchase agreements for certain equipment or supplies. You may purchase such equipment or supplies from such designated suppliers or from any approved supplier on such terms as you negotiate. The Manual contains details relating to such purchases. At the time you open your Mint Condition Master Franchise you must stock the initial office supplies and franchise supplies required by us as outlined in the Manual, or otherwise in writing.

Insurance Specifications. Before you open your Master Franchised Business, you must obtain certain minimum insurance coverage, naming the Company as additional insured. We may increase these limits or have new types of coverage added at any time after giving you notice. You must maintain this insurance coverage during the entire term of the Master Franchise Agreement from a responsible carrier.

Advertising Specifications. You must obtain our prior written approval, at least thirty (30) days in advance, before you can use any advertising and promotional materials, forms or stationery unless we have prepared or approved them during the 12 months prior to their proposed use. You may purchase certain advertising and promotional materials, brochures, fliers, forms, business cards and letterhead from approved vendors. Further, you must not engage in any advertising of your Master Franchised Business unless we have previously approved the medium, content and method. You must not advertise or list your Mint Condition Master Franchise business in any classified telephone directories (i.e. "Yellow Pages") without our prior written permission.

Sole or Designated Suppliers. Prior to the time you open the Master Franchised Business, you are obligated to purchase certain products, supplies and equipment from certain designated suppliers. Once you open your Master Franchised Business, you may purchase additional products, supplies or equipment from any approved supplier or vendor, except those purchases noted below in this Item of the Franchise Disclosure Document.

You must purchase all products or services for the Master Franchised Business operations from approved vendors. We are an approved supplier for the initial franchise supplies and printing (see Item 7, Footnote 3 & 6). Due to the fact that the Company's Master Franchise Program has recently commenced, the Company has not received any Gross Revenues from Master Franchise Owner's purchases of required items.

Your required product purchases are estimated to be less than 5% of all purchases or leases by you in connection with the cost of establishing the Master Franchised Business and approximately less than 5% of the costs of operating a Master Franchised Business.

The Company estimates that the following purchases of products and services will represent the following percentages of your total purchases of products and services to establish and operate your Master Franchised Business:

<u>Category</u>	<u>% of Total to Establish</u>	<u>% of Total to Operate</u>
Purchases from the Company	less than 5%	less than 5%
Purchases/leases under the		

Company's specifications	100%	100%
Purchases/leases from Approved outside suppliers	100%	100%

The Company may negotiate purchase arrangements for your benefit. We do not provide any material benefit to you based on your use of approved suppliers. The Company has no purchasing or distribution cooperatives.

Records. All of your bookkeeping and accounting records, financial statements, and all reports you submit to us must conform to our requirements.

Computer Equipment. We require that you have a computer system which meets our minimum requirements and purchase our designated software and software setup. See Item 11 in this Franchise Disclosure Document for more details.

We plan on requiring additional items to be purchased by the Master Franchise Owner from certain manufacturers or suppliers in the future. We will notify you of such requirements by sending to you such changes by modifying the Manual or sending to you other written forms of communication.

Specifications and Standards. Any products, supplies or equipment you use in the operation of the Master Franchise must meet our standards and specifications. We establish these standards to provide benchmarks for design, effectiveness, durability, ease of use and appearance. These specifications and standards will be set forth in the Master Franchise Agreement, Manuals or other notices we send. From time to time, we may revise these standards and specifications in order to respond to changing market conditions and to take advantage of new products or new pricing structures. You will be notified whenever we establish or revise such standards or specifications or if we designate approved suppliers. You are not obligated to purchase specific products from a specific approved supplier, unless special circumstances exist.

We may choose to negotiate certain purchase agreements for certain equipment or supplies. You may purchase such equipment or supplies from such designated suppliers or from any approved supplier on such terms as you negotiate. The Manual contains details relating to such purchases. At the time you commence your Mint Condition Master Franchised Business you must stock the initial inventory of products, services and supplies required by us as outlined in the Manual, from time to time.

Advertising Specifications. Before you undertake any advertising, in any form, for your Mint Condition Master Franchised Business, you must first be approved by us to undertake your own sales and marketing programs. Once you have been granted the approval to undertake your own advertising and marketing programs, you must then get our prior written approval, at least thirty (30) days in advance, for the medium, form and content of any specific advertising campaign before implementing this campaign. This approval is required even if we have furnished the advertising materials to you. You may purchase certain advertising materials from us, such as brochures, fliers, forms, business cards and business stationery.

Purchasing or Distribution Cooperatives. There are no purchasing or distribution cooperatives in the Mint Condition system.

Item 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise and other Agreements. It will help you find more detailed information about your obligations in these Agreements and in other items of this Franchise Disclosure Document.

Obligation	Section in Agreement	Franchise Disclosure Document Item
a. Site selection and acquisition/lease	Master Franchise Agreement (MFA) § V (A) and VII (E)	Items 8 and 11
b. Pre-opening purchases/leases	MFA § V (G) and IV (G)	Items 5 - 8, 10, 11, 16
c. Site development and other pre-opening requirements	MFA § V (A) and (C)	Items 5, 6, 7, 8 and 11
d. Initial and ongoing training	MFA § V	Item 11
e. Opening	MFA § VII (B) and (F)	Item 11
f. Fees	MFA § VI, VII and VIII	Items 5, 6 and 7
g. Compliance with standards and policies/Operating Manual	MFA § VII (A), (E), (F) and (G) and XIII (G)	Items 11 and 16
h. Trademarks and proprietary information	MFA § V (D) and VII (D) and Confidentiality Agreement (Exhibit D)	Items 13 and 14
i. Restrictions on products/services offered	MFA § VII	Items 8, 12 and 16
j. Warranty and customer service requirements	MFA § VII (C)	Item 11
k. Territorial development and sales quotas	MFA § III and VII	Item 12
l. Ongoing product/service purchases	MFA § VII (F)	Item 8
m. Maintenance, appearance and remodeling requirements	MFA § VII	Items 11 and 17
n. Insurance	MFA § VII	Items 6, 7 and 8
o. Advertising	MFA § V	Items 6, 7 and 11
p. Indemnification	MFA § XV	Item 6
q. Owner's participation/management staffing	MFA § VII (G)	Items 11 and 15

Obligation	Section in Agreement	Franchise Disclosure Document Item
r. Records and reports	MFA § VI and VII	Item 11
s. Inspections and audits	MFA § VI and VII	Items 6 and 11
t. Transfer	MFA § XVI	Items 6 and 17
u. Renewal	MFA § IV (B)	Items 6 and 17
v. Post-termination obligations	MFA § XII and XVIII and Non-Disclosure and Non-Competition Agreement	Item 17
w. Non-competition covenants	MFA § XII and Non-Disclosure and Non-Competition Agreement	Item 17
x. Dispute resolution	MFA § XIX	Item 17
y. Other: Guarantee of franchisee obligations	Guaranty of Franchise Owner's Undertakings and Non-Disclosure and Non-Competition Agreement	Item 15

Item 10

FINANCING

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

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance. We may assign or delegate some of our obligations to qualified third parties.

Pre-Opening Assistance. Prior to opening of the Master Franchised Business, we will:

- A. Designate your Mint Condition Exclusive Territory (Master Franchise Agreement ["MFA"], § III (A), page 3).
- B. Provide to you advice regarding the selection of your office space and in furnishing and equipping your office. (MFA, § V(G), page 11).
- C. Provide the initial training of you and other staff members, at times and locations designated by Mint Condition Franchising, Inc. (MFA, § V (C), page 6).

- D. Identify the equipment, materials and supplies necessary for the Franchised Business to begin operations, including the minimum standards and specifications that must be satisfied and the suppliers from whom these items may be purchased or leased (including the Company). (MFA, § VII, page 24).
- E. Provide lists of approved items of equipment, fixtures, inventory and supplies (by brand name and/or by standards and specifications) and lists of approved suppliers for those items. (MFA, § V(G), page 10).
- F. Provide you with the use of our Confidential Operations Manual and other manuals, training aids designated by us for use in the System, as they may be revised by us from time to time. (MFA, § VII (F), page 23).
- G. Provide to you advice and guidance in preparing to open your Mint Condition Master Franchise Office, including standards and procedures for obtaining inventory and supplies, providing approved supplies, advertising and promoting the business, and operating the business. (MFA, § VII (C), page 19).

Post Opening Assistance. After the opening of your Master Franchised Business, we will:

- A. Provide on-site assistance for a period of time after the opening of the Master Franchised Business. (MFA, § V (G), page 11).
- B. Provide, as we deem advisable, access to continuing courses of training, at times and locations designated by the Company. (MFA, § V (C), page 8).
- C. Perform, as we deem advisable, inspections of the Master Franchised Business, as the Company deems advisable. (MFA, § VII (D), page 22).
- D. Provide, as we deem advisable, updated lists of approved items of equipment, fixtures, inventory, and supplies (by brand name and/or by standards and specifications) and updated lists of approved suppliers for those items. (MFA, § VII (C), page 19).
- E. Provide, as we deem advisable, periodic advice and guidance through meetings, printed materials and/or other media, as the Company makes available to all Master Franchise Owners in the System from time to time. (MFA, § VII (C), page 19).
- F. Provide, as we deem advisable, templates for your usage in creating a Franchise Disclosure Documents and Franchise Agreements in order for you to sell Individual Franchised Businesses in your Territory. (MFA, § VIII (B), page 29).

Advertising.

We do not currently have an advertising or marketing program for Master Franchise Owners. We do not advertise in local, regional, or national media on your behalf. We do not utilize an advertising agency or in-house advertising department. There is no advertising council currently or regional advertising co-operatives. You may develop advertising materials for your own use, at your own cost. You may not use any advertising materials unless they have been approved by

us, at least thirty (30) days in advance, in writing by the Company. At this time we do not restrict your use of electronic media and the internet, except to approve your advertising materials.

Marketing Plan. You must submit to us for approval at least thirty (30) days prior to its implementation, a local advertising and marketing plan each fiscal year by which you intend to market your Office during the next 12-month period.

National Advertising Fund. We have the right to create a National Advertising Fund, which will not exceed 2% of your Gross Revenues. This Fund is not in operation at this time and we will give to at least thirty (30) days written notice prior to its implementation.

Marketing for New Customer Accounts. You must spend, as a minimum, the following sums of money for marketing of new cleaning accounts in your Territory: for months 1-24, \$1,000 per month; for months 25-48, \$1,250 per month; for months 49-72, \$1,500 per month; for months 73-96, \$1,750 per month; and for months 97-240, \$2,000 per month. You must send to the Company, at the beginning of each calendar quarter, evidence that it has spent the minimum amount of monies noted above for the marketing of new cleaning accounts.

Marketing for Individual Franchised Businesses. You must spend, as a minimum, the following sums of money for marketing for Individual Franchised Businesses in your Territory: for months 1-24, \$1,000 per month; for months 25-48, \$1,250 per month; for months 49-72, \$1,500 per month; for months 73-96, \$1,750 per month; and for months 97-240, \$2,000 per month. You must send to the Company, at the beginning of each calendar quarter, evidence that it has spent the minimum amount of monies noted above for the marketing of new cleaning accounts.

Master Franchise Operations Manual. The table of contents for the Mint Condition Master Franchise Operations Manual is attached as Exhibit K of this Franchise Disclosure Document.

Location Selection. Under the Agreement, you must operate the Franchised Business only at and from a single location (the "Location") acceptable to us. You must obtain the prior written approval of Mint Condition for the proposed Location. We shall review the request for the proposed Location, and within 15 business days of Mint Condition's receipt of the request, we shall approve the proposed Location or reject the Location with comments as to why it was rejected. If we and Master Franchise Owner can't agree on the proposed Location, Master Franchise Owner will be required to submit another Location for approval. The factors we consider in evaluating sites include the following: the general location and neighborhood, population and demographics and proximity to major roads.

Time to Open. You must open your office and commence business within three (3) months after the effective date of the Master Franchise Agreement. The typical length of time between signing the Agreement and opening for business is estimated to be one (1) to three (3) months. Factors that will affect the length of time it takes you to open your business include your ability to obtain a lease, financing, permits, compliance with local ordinances and restrictions and completion of required training.

Computer Requirements. You are required to purchase a computer system for your Office operation. The costs of computer hardware and software are part of the initial investments that you must purchase prior to opening your Office. This computer system includes two IBM

compatible computers with a minimum Pentium or equivalent, and Intel Core 2 Duo VT/3.0 GHz, 320GB SATA 3.0Gb/s Hard Drive or greater, MS Windows 7 Professional and MS Office Home and Business 2010 with Adobe Acrobat 9.0. We also recommend at least 3 Gig DDR3 1333 MHz. Your hardware should be Dell, HP, Gateway or equivalent. We estimate that your expenses for computer hardware will be approximately \$5,000 to \$5,700. See Item 7 for the cost of computer hardware and software systems. Each Master Franchise Owner shall be responsible for its on-going maintenance and support for the computer system as well as DSL access through their local serviced provider. You are also required to acquire and use all computer software and internet based programs that we designate. The software should be based on Microsoft 2010 and Microsoft Office Small Business Suite. Each Master Franchise Owner shall be responsible for its on-going maintenance and support for the computer system. We estimate the annual costs of maintenance and repair costs to be approximately \$100 to \$500 per year per Franchised Location. We are not obligated to provide or assist you in obtaining the above items or services. We may require you to maintain and add any upgrades to the software that may be developed for the life of your franchise. There is no limitation on cost or frequency in the number of upgrades that we may require.

We require you to provide us access to your information and data in the accounting and bidding and estimating software program. You must provide a variety of information through computer access to Franchisor related to your janitorial contacts, accounting, sales, bidding and estimating, utilizing hardware, software and internet as we may designate and we may change from time to time, at your expense.

TRAINING PROGRAM

SUBJECT	HOURS OF CLASS ROOM TRAINING	HOURS OF ON-THE- JOB TRAINING	LOCATION
Introduction to Mint Condition	8		Fort Mill, SC
Obtaining Customers	8		Fort Mill, SC
Administrative Procedures	8		Fort Mill, SC
Bookkeeping	8		Fort Mill, SC
Marketing to Franchise Owners	1.5		Fort Mill, SC
Selling to Potential Franchise Owners	2.5		Fort Mill, SC
Training Franchise Owner	4		Fort Mill, SC
Periodic Cleaning		4	Fort Mill, SC
General Cleaning Procedures		4	Fort Mill, SC
Customer: Start-Up / Retention	6		Fort Mill, SC
Insurance	2		Fort Mill, SC
Sales Presentation		8	Fort Mill, SC
Workload	4		Fort Mill, SC
Role Play	4		Fort Mill, SC
Sales Presentation		8	Fort Mill, SC

The second phase of the training program for the Master Franchise Owner, staff members and hourly personnel for a period of up to five business days. Typical support includes the following training program and subjects on site but can include any necessary support related to the day-to-day operations of a Master Franchised business:

SUBJECT	HOURS OF CLASS ROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Selling to Potential Franchise Owners	2.5		In Your Location
Training Franchise Owners, staff members and hourly personnel	4-6		In Your Location
Sales Presentation		8	In Your Location
Workload	4		In Your Location

The Company's initial franchise training program is available to all Master Franchise Owners and one additional person. Before opening for business, the Master Franchise Owner must attend and complete the initial franchise training program to the satisfaction of the Company.

Our initial franchise training program is conducted at the Company's headquarters at Fort Mill, South Carolina. The first phase of the initial franchise training program for the Master Franchise Owner lasts up to ten business days. The initial training program uses the Manuals and other written materials developed by the Company and approved vendors.

The Company will provide the second phase of the training program for the Master Franchise Owner, staff members and hourly personnel for a period of up to five business days. The exact training dates will be mutually agreed upon. The Company requires that each individual Master Franchise Owner attend the training program. The Company provides initial training at no additional charge for the Master Franchise Owner, and one additional person. (See Item 6 regarding fees for additional training.)

The Company does not maintain a formal training staff. Training will be provided under the direction of Jack Saumby the President and Founder of the Company since 1996, and Ron Colello the Director of Operations of our Company since January, 2008 and other persons, as needed, whose backgrounds are described in Item 2 of this Franchise Disclosure Document. Other employees of the Company and other existing Master Franchise Owners may also participate in providing training to new Master Franchise Owners.

The Company plans on being flexible in scheduling training to accommodate its personnel, and the Master Franchise Owner. There are currently no fixed (i.e. monthly or bi-monthly) training schedules. As of the date of this Franchise Disclosure Document, the following training program and subjects will be provided to all Master Franchise Owners at the Company's headquarters:

The Company also may offer additional or refresher training courses from time to time. Some of these courses may be mandatory, and some may be optional. These courses may be conducted at the Company's headquarters or at any other locations selected by the Company.

You and/or your employees will be responsible for all out-of-pocket expenses in connection with all training programs, including costs and expenses of transportation, lodging, meals, wages and

employee benefits. The Company has the right to impose reasonable charges for training classes and materials in connection with such training courses. The Company will notify you of any additional charges before you or your employees enroll in a course.

All classes are scheduled by advance written notice to all Master Franchise Owners. The Company's class cancellation policies will be included in the written notice of class schedules.

Item 12

TERRITORY

The Master Agreement grants you the right to operate a Mint Condition Master Franchise in your exclusive Territory which will be described in your Master Agreement. Your exclusive Territory will be a geographical area consisting of a state or county or other political subdivision of a state or county in which you alone may offer Mint Condition franchises. The size and boundaries of your exclusive Territory will be determined by negotiation with us, taking into consideration the population of the exclusive Territory. After expiration of your Master Franchise Agreement you will no longer have exclusive rights in your Territory. You must lease office space within your Territory subject to our approval. A relocation of your office within your Territory is subject to our approval. Our approval will be based upon an evaluation of the proximity of the new location to customers, the appearance, visibility and access to the new location.

We offer a Standard Territory which is a territory with more than 600,000 people. We also may offer a Small Territory which is a territory with fewer than 600,000 people. We do not intend to sell a Master Franchise unless there is a population of at least 400,000 people within the boundaries of the proposed Territory. Geographical territory will vary according to factors such size of urban markets, activity of economy, the nature of the market and the industry in the proposed Territory. Subject to these economic factors we use a formula that in most cases is possible to support an Individual Franchised Business for approximately 22,000 to 25,000 people.

As long as you remain in compliance with your Agreement, the Company will not operate or grant Master Franchises for a similar or competitive business within your exclusive Territory with the exception of a national contract that you choose not to service under terms we negotiate. The Company does not solicit or accept orders within the defined Territory except in the case of a national contract. If we obtain a national contract within your exclusive Territory, you will be offered the opportunity to accept and fulfill the terms of this contract within your Territory. If you decline to accept the terms of the national contract, we may perform or permit other Master Franchisees to perform under the contract in your Territory. You will not receive any compensation if you decline to accept and fulfill the terms of a national contract.

You may accept customers only from addresses located within your Territory. You may not solicit customers from outside your Territory without our prior written approval. If you accept solicited customers from outside your Territory without our permission, then the Company has the right to require you to send all of such Gross Revenues to the Franchise Owner who owns the Territory where such customers are located, or to us.

After you have received your Territory from us, you will not have the options, rights of first refusal or similar rights to acquire Master Franchises outside your defined Territory. We are not restricted from establishing other Master Franchises or Company-owned outlets and other channels of distribution of similar products and services under a different trademark in your Territory without compensation to you. Your Territory or Master Franchise Agreement's continuation is not dependent upon your achieving any sales quotas, market penetrations or other contingencies.

We have no current intention to offer other channels of distribution within your Territory, but we reserve the right to offer other channels of distribution using our Proprietary Marks in the Territory without compensation to you.

Item 13

TRADEMARKS

Under the Master Franchise Agreement, we grant you the right and license to use the Proprietary Marks and the System solely in connection with your Master Franchised Business. You may use only the mark "Mint Condition" and such other Proprietary Marks as are designated in writing by us for your use, and you may use them only in the manner authorized and permitted by us. You may not directly or indirectly contest our ownership of or rights in the Proprietary Marks or use in your corporate name (if appropriate) any derivative of the mark "Mint Condition."

Our principal trademark and service mark that we license you to use under the Master Franchise Agreement is registered with the United States Patent and Trademark Office and is:

"Mint Condition" and Design

Registration Number: 2232623

Registration Date: March 16, 1999

Affidavit Filed: March 15, 2005

Renewal: September 16, 2009

Register: Principal

There are no effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeals Board, the Trademark Administrator any state or any court relating to the Proprietary Marks. There is no pending infringement, opposition or cancellation. There is no pending material litigation involving the Proprietary Marks. The service mark "Mint Condition" is also registered in the state of North Carolina.

There are no agreements currently in effect which significantly limit our right to use or license the use of the Proprietary Marks in a manner material to the Master Franchise.

The Master Franchise Agreement does not contain any provisions under which we are required to defend or indemnify you against any claims of infringement or unfair competition arising out

of your use of the Proprietary Marks. If litigation involving the Proprietary Marks is instituted or threatened against you, the Master Franchise Agreement requires you to notify us promptly and cooperate fully with us in defending or settling the litigation.

We have the right to require you to modify or discontinue your use of any of the Proprietary Marks. If we exercise this right, we will provide advance notice to all Master Franchise Owner. You will be required to pay for all costs involved in changing your Master Franchised Business' Proprietary Marks.

We have no actual knowledge of either superior prior rights or infringing uses that could materially affect a Master Franchise Owner's use of the Proprietary Marks in any state.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patent Rights. There are no patents or patent applications pending material to the Mint Condition franchise.

Copyrights. Under the Agreement, we must provide you one copy of the Mint Condition Manual on loan, at or before the time when you begin your initial training course. The Franchisor claims a copyright in the manual and treats the information in the Manual as confidential trade secrets.

Confidential Operations Manual. Under the Agreement, you must operate the Master Franchised Business in accordance with the standards, methods, policies, and procedures specified in the Manual. You will be loaned a copy of the Manual for the term of the Franchise Agreement, when you have completed the initial training program to our satisfaction. You must operate your Franchised Business strictly in accordance with the Manual, as we may revise it from time to time. You must at all times treat the Manual and the information in it as confidential, in accordance with the requirements of the Agreement.

You must treat as confidential the Manual and any other materials created for or approved by us for the operation of your Master Franchised Business. You must use all reasonable efforts to maintain this information as secret and confidential. You must not copy, duplicate, record or otherwise make them available to any unauthorized person. The Manual will remain our sole property and must be returned in the event that you cease to be a Master Franchise Owner.

We may from time to time revise the contents of the Manual, and you must comply with each new or changed provision. You must ensure that the Manual is kept current at all times. In the event of any dispute as to the contents of the Manual, the terms of the master copies maintained by us at our Home Office will be controlling.

Confidential Information. The Master Franchise Agreement requires you to maintain all Confidential Information of Mint Condition as confidential both during and after the term of the Master Franchise Agreement. "Confidential Information" includes all information, data, techniques and know-how designated or treated by Mint Condition as confidential and includes the Manual. You may not at any time disclose, copy or use any Confidential Information except as specifically authorized by Mint Condition Franchising, Inc. Under the Master Franchise Agreement, you agree that all information, data, techniques and know-how developed or

assembled by you or your employees or agents during the term of the Master Franchise Agreement and relating to the System will be deemed a part of the Confidential Information protected under the Master Franchise Agreement.

See Item 15 below concerning your obligation to obtain confidentiality and non-competition agreements from persons involved in the Master Franchised Business.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must personally participate in the direct operation of your Mint Condition Master Franchise Business. We believe that only a person with an equity interest can adequately insure that our standards of quality and competence are maintained. We will only approve you as a Master Franchise Owner if you own a majority of the equity in the business. The Agreement requires that you be directly involved in the day-to-day operations for the first five years of your Master Franchised Business operations.

You must complete the initial management training course required by the Company. However, the Company may charge a fee for additional training. See Item 6 for details.

Each individual who holds an ownership interest in the Franchise Owner must personally guarantee all of the obligations of the Franchise Owner under the Master Franchise Agreement. (See Exhibit G for the form of Guaranty of Franchise Owner's Undertakings.) Spouses of owners of the Master Franchise Business are not required to sign the Master Franchise Agreement or Guaranty unless the spouse is also an equity owner in the Master Franchised Business.

At the Company's request, you must obtain and deliver executed covenants of confidentiality and non-competition from any persons who have or may have an ownership interest in the Master Franchise Owner or in the franchise, or who receive or have access to training and other confidential information under the System. The covenants must be in a form satisfactory to us, and must provide that we are a third party beneficiary of, and have the independent right to enforce the covenants.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must operate the Master Franchised Business in strict conformity with all prescribed methods, procedures, policies, standards, and specifications of the System, as set forth in the Manual and in other writings by the Company from time to time. You must use the Office only for the operation of the Master Franchised Business and may not operate any other business at or from the Office without the express prior written consent of the Company.

The Company requires you to offer and sell only those goods and services that the Company has approved. The Company maintains a written list of approved goods and services in its Manual, which the Company may change from time to time (see Item 11 in this Franchise Disclosure Document).

You must offer all goods and services that the company designates as required for all franchises. In addition, the Company may require you to comply with other requirements (such as state or local licenses, training, marketing, insurance) before the Company will allow you to offer certain optional services.

We reserve the right to designate additional required or optional services in the future and to withdraw any of our previous approvals. In that case, you must comply with the new requirements. Neither you nor your Individual Franchise Businesses may service customers outside your Territory, but we do not otherwise restrict your access to customers inside your Territory.

See Items 8, 9, 11 and 12 for more information about your obligations and restrictions.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Agreement	Summary
a. Length of the franchise term	Master Franchise Agreement ("MFA") § IV (A)	20 years
b. Renewal or extension of the term	MFA § IV (B)	Unlimited number of 10-year renewal periods.
c. Requirements for franchisee to renew or extend	MFA § IV (B)	You must: (a) Be in full compliance with all agreements; (b) Sign the then existing form of Master Franchise Agreement; you may be asked to sign a contract with materially different

Provision	Section in Agreement	Summary
		<p>terms and conditions than your original contract;</p> <p>(c) location and equipment meet current standards;</p> <p>(d) You have the right to renew your office lease;</p> <p>(e) You and your owners must sign releases;</p> <p>(f) Payment of 10% of the then current Initial Master Franchise Fee.</p>
d. Termination by franchisee	MFA § XVIII (C)	We haven't cured breach within 30 days after notice
e. Termination by franchisor without cause	None	None
f. Termination by franchisor with cause	MFA § XVIII (B)	You haven't cured breach within 30 days after notice

Provision	Section in Agreement	Summary
g. "Cause" defined—curable defaults	MFA § XVIII (B)	<p>You have 5 business days after written notice of default to cure the failure to make any payment when due under the Agreement or any other Agreements between Master Franchise Owner and Franchisor. You have 30 days after written notice to cure: failure to open its office and commence business on time, or fails to pay the Minimum Royalty Payments; failure to fulfill the Initial Business Plan and/or Additional Business offered to its Janitorial Franchise Owners in a reasonable period of time; misuse the Proprietary Marks or the System or engages in conduct which reflects materially and unfavorably upon the goodwill associated with them including conduct that results in complaints from Janitorial Franchise Owner's or Janitorial Customers or if Master Franchise Owner uses in a Master Franchise Business any names, Proprietary Marks, systems, logotypes or symbols that Franchisor has not authorized Master Franchise Owner to use; after Master Franchise Owner defaults in the performance of any other material obligation under this Agreement or any other agreement with Franchisor or its Affiliate.</p>
h. "Cause" defined—non-curable defaults	MFA § XVIII (B)	<p>Includes abandons control of Master Franchised Business, consistently fails to pay monies when due, violates laws, material misrepresentation on initial application, attempted assignment without permission, discloses Manual without permission, repeatedly fails to comply with Manual, breaches MFA or does something adverse to Proprietary Marks, failure to comply with MFA or any other Agreement between you and us or you are convicted of a felony</p>

Provision	Section in Agreement	Summary
i. Franchisee's obligations on termination/non-renewal	MFA § XVIII (D)	Includes payment of monies owed to us, return Manual, cancellation of assumed names and transfer of phone numbers, cease using Proprietary Marks, cease operating Master Franchised Business, no confusion with Proprietary Marks, our option to purchase your inventory and equipment and your modification of the premises
j. Assignment of contract by franchisor	MFA § XVII (E)	No restriction on right to transfer
k. "Transfer" by franchisee--defined	MFA § XVI	Includes assignment of MFA, sale or merger of business entities, transfer of corporate stock, death of Master Franchise Owner or majority owner of Master Franchise Owner
l. Franchisor approval of transfer by franchisee	MFA § XVI (C)	We have the right to approve all transfers
m. Conditions for franchisor approval of transfer	MFA § XVI (D)	Factors include proposed Master Franchise Owner must meet current standards, does not operate a similar business and signs current form of MFA; and you pay to us a transfer fee of 10% of the then current Initial Master Franchise Fee, or \$10,000, whichever is greater
n. Franchisor's right of first refusal to acquire franchisee's business	MFA § XVII (D)	We have the option to match any offer for your Master Franchised Business
o. Franchisor's option to purchase franchisee's business	MFA § XVII (D); and § XVIII (D)	Upon exercise of our right of first refusal; and upon termination of your franchise after default
p. Death or disability of franchisee	MFA § XVII (C)	Franchise must be assigned by estate to approved buyer within 3 months
q. Non-competition covenants during the term of the franchise	MFA § XI (C)	Beginning with the execution of the Master Franchise Agreement, you may not engage in a business offering similar products and services; and within a five mile radius or another Mint Condition Master Franchise Business; and within five miles of any Mint Condition customer location

Provision	Section in Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	MFA § XI (C)	For two years after termination or termination of the Franchise Agreement for any reason, you may not engage in a business offering similar products and services; and within a five mile radius or another Mint Condition Master Franchise Business; and within five miles of any Mint Condition customer location
s. Modification of the agreement	MFA § XIII	Must be in writing by both sides
t. Integration/merger clause	MFA § XIX (H)	Only the terms of the MFA are binding (subject to state law). Any other promises are unenforceable. Nothing in the Agreement or in any related agreement is intended to disclaim Franchisor's representations made in the Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	None	None
v. Choice of forum	MFA § XIX(I)	Mecklenburg County, North Carolina (subject to state laws)
w. Choice of law	MFA § XIX(E)	North Carolina law applies, (subject to state laws)

Item 18

PUBLIC FIGURES

Mint Condition does not use any public figure to promote its franchise.

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

The information contained in this financial performance representation refers to the operations of specific Individual Franchised Businesses and revenues we derive as franchisor from those franchisees. A new franchisee's results are likely to differ from those of an established market, and your results are likely to differ from ours.

This financial performance representation contains information about the revenues from our 11388 Individual Franchise Businesses in our 20132 fiscal year, but does not include any information about revenues from Individual Franchise Businesses of Mint Condition Master Franchise Owners or from Master Franchise Owners. There were 272236 Individual Franchised Businesses in the Mint Condition System in our 20132 fiscal year. Of these 272236 Individual Franchised Businesses, 11388 were our direct franchisees. Of these 11388 Individual Franchised Businesses, 7368 of these Individual Franchised Businesses operated for the entire year of 20132. All of these Individual Franchised Businesses were located in North Carolina, ~~and South Carolina~~ and Florida.

We will provide written substantiation for the information contained in this financial performance representation upon reasonable request.

I. 20132 Fee Revenue From Franchise Operations:

Set forth below is information about payments made by franchisees to us shown by category, including royalty revenues and franchise fees, and revenues received for services provided by us to franchisees for accounting services, account replacement fees and insurance services, and revenues from the sale of supplies to franchisees. The revenue received from franchisees that are summarized below reflects payments made by our one hundred thirteeneighty-eight Individual Franchise Business who were active in 20132. All of our franchisees operate within the metro Charlotte, North Carolina, ~~and metro Ft. Lauderdale, Florida~~ and metro Jacksonville, Florida markets. We have been actively franchising since December, 1996. There may be differences in your market compared to our market, including the possibility of greater competition, lower levels of economic activity and reduced availability of prospective franchisees. It will take varying periods of time to build a significant franchise network.

Sources of Revenue	Franchisor's 2013 2 Revenue From Individual Franchisees	Average 2013 2 Revenue per Individual Franchisee
Royalty Revenues 1	\$ 237,001 208,660	\$ 2,097 2,371
Franchise Fees 2	\$ 208,626 123,318	\$ 1,846 1,401
Accounting and Management Fees 3	\$ 212,391 187,420	\$ 1,880 2,130
Account Replacement Fees 4	\$ 221,551 198,280	\$ 1,961 2,253
Insurance Services 5	\$ 103,964 91,510	\$ 920 1,040
TOTAL FRANCHISE REVENUE: 6	\$ 983,533 809,188	\$ 8,704 9,195

1) Royalties are paid to us by franchisees in the amount of 9% of their gross revenues. Total revenues generated by the one hundred thirteen ~~eighty-eight~~ (11388) active Individual Franchise Businesses in 2013~~2~~ were \$~~2,875,268~~2,508,123. The average revenue obtained by the one hundred thirteen ~~eighty-eight~~ (11388) Individual Franchise Businesses in 2012~~3~~ was \$~~25,445~~28,504. Nineteen ~~Twenty~~ Two (1922%) percent of the Individual Franchise Businesses achieved or surpassed the average revenue.

2) Franchise Fees are paid to us in the form of both initial cash deposits and promissory notes that are payable over a term between 24 and 36 months. Of the \$~~208,626~~123,318 we received in 2013~~2~~, \$~~82,250~~28,892 was received in the form of cash, and \$~~126,376~~94,426 was received in 2013~~2~~ in the form of new promissory notes. There is a risk of nonpayment of funds owed under promissory notes. We did not refund any franchise fees to Individual Franchisees because of our failure to offer initial business during the initial offering periods.

3) Accounting and Management fees were paid to us for accounting and management services we provided to franchisees. Participating franchisees pay 8% of revenues for accounting and management services we provide. We invoice accounts and collect payments from customers for Franchisee's services, distribute net funds to franchisees; and we conduct a quality control management program.

4) Our franchisees have the option and we do not require our franchisees to purchase our account replacement services.

5) Insurance fees in the amount of 4% of franchisees' gross revenue were paid to us for insurance services we provided. A franchisee is not required to use our insurance services, but may acquire these services from others, and it is possible that your franchisees may not use insurance services that you offer. For the insurance fees collected, we acquire coverage for workers compensation, general liability coverage and third party bonding. Of the \$~~103,964~~91,510 collected in 2013~~2~~ from franchisees for the provision of insurance services, we paid \$~~68,939~~63,152 to outside insurance carriers for insurance coverage.

6) The Total Franchise Revenue received from the one hundred thirteen ~~eighty-eight~~ franchisees shown in this Item 19 does not include revenues we received from Master Franchise Owners. The revenues shown above in Chart I are not net profits, but are gross revenues received. We incurred significant expenses in order to provide services necessary to generate fee

revenue+/-e from your franchise activities, including but not limited to the cost of insurance policies, general staffing and overhead, cost of equipment and supplies and office expenses.

7) The 2013~~2~~ average revenue per Franchisee includes all Franchisees that operated during 2013~~2~~, including those that only operated a partial year.

8) Other than the preceding financial performance representation, Mint Condition Franchising, Inc. does 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 Jack Saumby at 1057 Red Ventures~~521 Corporate Center~~ Drive, Suite 165, Fort Mill, South Carolina 29707, (803) 548-6121; the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLET AND FRANCHISEE INFORMATION

**Systemwide
Individual Franchised Business Summary
For the Years 20110 to 20132¹
(Ending December 31st of each year)**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year ¹	Net Changes
Franchise-Owned	2011 <u>0</u>	<u>163</u> +36	<u>206</u> +63	+4 <u>32</u> 7
	2012 <u>+</u>	<u>206</u> +63	<u>236</u> 206	+3043
	2013 <u>2</u>	<u>236</u> 206	<u>272</u> 236	+360
Company-Operated	2011 <u>0</u>	<u>0</u> +	0	<u>0</u> +
	2012 <u>+</u>	0	0	0
	2013 <u>2</u>	0	0	0
Total Individual Franchised Business Summary	2011 <u>0</u>	<u>163</u> +37	<u>206</u> +63	+4326
	2012 <u>+</u>	<u>206</u> +63	<u>236</u> 206	+3043
	2013 <u>2</u>	<u>236</u> 206	<u>272</u> 236	+360

**Systemwide
Master Franchise Business Summary
For the Years 20110 to 20132¹
(Ending December 31st of each year)**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year ¹	Net Changes
Franchise-Owned	2011 <u>0</u>	<u>13</u> +0	13	+ <u>0</u> 3
	2012 <u>+</u>	13	<u>11</u> +3	-2+0
	2013 <u>2</u>	<u>11</u> +3	<u>10</u> +	-12
Company-Operated	2011 <u>0</u>	1	1	0
	2012 <u>+</u>	1	1	0
	2013 <u>2</u>	1	1	0
Total Master Franchise Business Summary	2011 <u>0</u>	<u>14</u> +	14	+ <u>0</u> 3
	2012 <u>+</u>	14	<u>12</u> +	-2+0
	2013 <u>2</u>	<u>12</u> +	<u>11</u> +2	-12

**Transfers of Individual Franchised Businesses From Franchisees to New Owners
(other than the Franchisor)
For Years 20110 to 20132
(Ending December 31st of each year)**

State	Year	Number of Transfers
California	201 <u>1</u> <u>0</u>	0
	201 <u>2</u> <u>4</u>	0
	201 <u>3</u> <u>2</u>	0
Florida	201 <u>1</u> <u>0</u>	0
	201 <u>2</u> <u>4</u>	0
	201 <u>3</u> <u>2</u>	0
Georgia	201 <u>1</u> <u>0</u>	0
	201 <u>2</u> <u>4</u>	0
	201 <u>3</u> <u>2</u>	0
North Carolina	201 <u>1</u> <u>0</u>	0
	201 <u>2</u> <u>4</u>	0
	201 <u>3</u> <u>2</u>	0
New Jersey	201 <u>1</u> <u>0</u>	0
	201 <u>2</u> <u>4</u>	0
	201 <u>3</u> <u>2</u>	0
South Carolina	201 <u>1</u> <u>0</u>	0
	201 <u>2</u> <u>4</u>	0
	201 <u>3</u> <u>2</u>	0
Pennsylvania	201 <u>1</u> <u>0</u>	0
	201 <u>2</u> <u>4</u>	0
	201 <u>3</u> <u>2</u>	0
Tennessee	201 <u>1</u> <u>0</u>	0
	201 <u>2</u> <u>4</u>	0
	201 <u>3</u> <u>2</u>	0
Utah	201 <u>1</u> <u>0</u>	0
	201 <u>2</u> <u>4</u>	0
	201 <u>3</u> <u>2</u>	0
Total	201 <u>1</u> <u>0</u>	0
	201 <u>2</u> <u>4</u>	0
	201 <u>3</u> <u>2</u>	0

There were no transfers of Master Franchise Businesses during 20110-20132.

Status of Individual Franchised Businesses
For Years 20110 to 20132
(Ending December 31st of each year)

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operation other reasons	Outlets at End of the Year
California	2011 <u>0</u>	<u>14</u>	<u>04</u>	0	0	0	1	<u>04</u>
	2012 <u>4</u>	<u>04</u>	0	0	0	0	<u>04</u>	0
	2013 <u>2</u>	0	0	0	0	0	0	0
Florida	2011 <u>0</u>	0	<u>74</u>	0	0	0	<u>04</u>	<u>70</u>
	2012 <u>4</u>	<u>70</u>	<u>137</u>	0	0	0	40	<u>167</u>
	2013 <u>2</u>	<u>167</u>	<u>1443</u>	0	0	0	<u>134</u>	<u>1746</u>
Georgia	2011 <u>0</u>	<u>165</u>	<u>64</u>	0	0	0	<u>13</u>	<u>2146</u>
	2012 <u>4</u>	<u>2146</u>	<u>56</u>	0	0	0	<u>24</u>	<u>2424</u>
	2013 <u>2</u>	<u>2424</u>	<u>65</u>	0	0	0	2	<u>2824</u>
North Carolina	2011 <u>0</u>	<u>8179</u>	<u>2047</u>	0	40	0	<u>345</u>	<u>9484</u>
	2012 <u>4</u>	<u>9484</u>	<u>210</u>	0	<u>24</u>	0	<u>153</u>	<u>984</u>
	2013 <u>2</u>	<u>9894</u>	<u>3924</u>	0	<u>02</u>	0	<u>1745</u>	<u>12098</u>
New Jersey	2011 <u>0</u>	<u>24</u>	<u>04</u>	0	0	0	0	2
	2012 <u>4</u>	2	0	0	0	0	<u>20</u>	<u>02</u>
	2013 <u>2</u>	<u>02</u>	0	0	0	0	<u>02</u>	0
South Carolina	2011 <u>0</u>	<u>2549</u>	<u>67</u>	0	<u>20</u>	0	1	<u>2825</u>
	2012 <u>4</u>	<u>2825</u>	<u>86</u>	0	<u>12</u>	0	<u>44</u>	<u>3128</u>
	2013 <u>2</u>	<u>3128</u>	<u>98</u>	0	<u>04</u>	0	4	<u>3634</u>
Pennsylvania	2011 <u>0</u>	<u>2044</u>	<u>440</u>	0	0	0	<u>54</u>	<u>1920</u>
	2012 <u>4</u>	<u>1920</u>	<u>54</u>	0	0	0	<u>25</u>	<u>22*49</u>
	2013 <u>2</u>	<u>22*49</u>	<u>05</u>	0	0	0	<u>32</u>	<u>1922*</u>
Tennessee	2011 <u>0</u>	<u>177</u>	<u>2144</u>	0	0	0	<u>34</u>	<u>3547</u>
	2012 <u>4</u>	<u>3547</u>	<u>1424</u>	0	0	0	<u>43</u>	<u>4535</u>
	2013 <u>2</u>	<u>4535</u>	<u>1344</u>	0	0	0	<u>64</u>	<u>5245</u>
Utah	2011 <u>0</u>	<u>10</u>	<u>04</u>	0	0	0	<u>10</u>	<u>04</u>
	2012 <u>4</u>	<u>04</u>	0	0	0	0	<u>04</u>	0
	2013 <u>2</u>	0	0	0	0	0	0	0
TOTAL	2011 <u>0</u>	<u>163436</u>	<u>6453</u>	0	<u>60</u>	0	<u>1526</u>	<u>206463</u>
	2012 <u>4</u>	<u>206463</u>	<u>6664</u>	0	<u>36</u>	0	<u>3345</u>	<u>236206</u>
	2013 <u>2</u>	<u>236206</u>	<u>8166</u>	0	<u>03</u>	0	<u>4533</u>	<u>272236</u>

*Franchisee signed separate franchise agreements with 2 different Master Franchise Owners.

Status of Master Franchise Businesses
For Years 20110 to 20132
(Ending December 31st of each year)

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operation other reasons	Outlets at End of the Year
California	2011 <u>0</u>	1	0	0	0	0	<u>1</u> 0	<u>0</u> 1
	2012 <u>4</u>	<u>0</u> 4	0	0	0	0	<u>0</u> 4	0
	2013 <u>2</u>	0	0	0	0	0	0	0
Florida	2011 <u>0</u>	<u>2</u> 4	<u>0</u> 4	0	0	0	0	2
	2012 <u>4</u>	2	0	0	0	0	0	2
	2013 <u>2</u>	2	0	0	0	<u>1</u> 0	0	<u>1</u> 2
Georgia	2011 <u>0</u>	1	0	0	0	0	0	1
	2012 <u>4</u>	1	0	0	0	0	0	1
	2013 <u>2</u>	1	0	0	0	0	0	1
North Carolina	2011 <u>0</u>	1	<u>1</u> 0	0	0	0	0	<u>2</u> 4
	2012 <u>4</u>	<u>2</u> 4	<u>0</u> 4	0	0	0	0	2
	2013 <u>2</u>	2	0	0	0	0	0	2
New Jersey	2011 <u>0</u>	1	0	0	0	0	0	1
	2012 <u>4</u>	1	0	0	0	0	<u>1</u> 0	<u>0</u> 4
	2013 <u>2</u>	<u>0</u> 4	0	0	0	0	<u>0</u> 4	0
Pennsylvania	2011 <u>0</u>	3	0	0	0	0	0	3
	2012 <u>4</u>	3	0	0	0	0	0	3
	2013 <u>2</u>	3	0	0	0	0	0	3
South Carolina	2011 <u>0</u>	1	0	0	0	0	0	1
	2012 <u>4</u>	1	0	0	0	0	0	1
	2013 <u>2</u>	1	0	0	0	0	0	1
Tennessee	2011 <u>0</u>	<u>2</u> 4	<u>0</u> 4	0	0	0	0	2
	2012 <u>4</u>	2	0	0	0	0	0	2
	2013 <u>2</u>	2	0	0	0	0	0	2
Utah	2011 <u>0</u>	<u>1</u> 0	<u>0</u> 4	0	0	0	0	1
	2012 <u>4</u>	1	0	0	0	0	<u>1</u> 0	<u>0</u> 4
	2013 <u>2</u>	<u>0</u> 4	0	0	0	0	<u>0</u> 4	0
TOTAL	2011 <u>0</u>	<u>13</u> 40	<u>13</u>	0	0	0	<u>1</u> 0	13
	2012 <u>4</u>	13	<u>0</u> 4	0	0	0	<u>2</u> 4	<u>11</u> 43
	2013 <u>2</u>	<u>11</u> 43	0	0	0	<u>1</u> 0	<u>0</u> 2	<u>10</u> 44

Status of Company-Operated Master Franchise Businesses
For Years 20110 to 20132
(Ending December 31st of each year)

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
North Carolina	201 <u>10</u>	1	0	0	0	0	1
	201 <u>24</u>	1	0	0	0	0	1
	201 <u>32</u>	1	0	0	0	0	1
Total	201 <u>10</u>	1	0	0	0	0	1
	201 <u>24</u>	1	0	0	0	0	1
	201 <u>32</u>	1	0	0	0	0	1

Projected Individual Franchise Business Openings as of December 31, 20143

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchise Outlet In The Next Fiscal Year	Projected Company-Operated Outlet In The Current Fiscal Year
Florida	0	<u>18</u> 43	0
Georgia	0	6	0
North Carolina	0	<u>36</u> 37	0
Pennsylvania	0	<u>4</u> 8	0
South Carolina	0	4	0
Tennessee	0	<u>15</u> 44	0
TOTAL	0	<u>83</u> 82	0

The table above shows our Projected Individual Franchised Businesses in the Mint Condition System. Of the projected Individual Franchised Businesses shown, we project that 4224 of the Individual Franchised Businesses will be our direct franchisees. In addition, we project one additional Master Franchised Businesses in the state of Florida.

A list of the names of all Franchise Owners and the address and telephone numbers of their outlets are listed on Exhibit H to this Franchise Disclosure Document.

During the most recently completed fiscal year the following Individual Franchised Business of Franchisor had a Franchised Business terminated, canceled, not renewed, or has otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement.

Name & Address of Franchisee	Reason for leaving
Florida	
Salvato, Lauren CLF Empire Cleaning 4009 NW 1 Place Deerfield Beach, FL 33442	Voluntarily Ceased to do Business
Johnson, Alfonso A&J Commercial Cleaning 2632 NW 10 th Street Pompano Beach, FL 33069 954-655-0577	Voluntarily Ceased to do Business
Madramootoo, Pauline DKB Cleaning Service 3365 Pinewalk Drive N, Apt 14-210 Margate, FL 33063 954-234-6165	Voluntarily Ceased to do Business
Spann, Eric MBB Cleaning Service 20 SW 4 th Avenue, Apt 19 Dania Beach, FL 33004 334-355-0142	Voluntarily Ceased to do Business
North Carolina	
Abdo, Suliman & Elfahal, Salah Abdo & Salah Cleaning Service 3122 Rainbow Ridge Drive Matthews, NC 28105 704-568-7433	Voluntarily Ceased to do Business
Brown, Kim J & K Janitorial 1715 D Easterest Drive Charlotte, NC 28205 704-606-8676	Voluntarily Ceased to do Business
Brown, Pamela Joy Cleaning 4200 Ladys Slipper Lane Matthews, NC 28105 704-532-9542	Voluntarily Ceased to do Business
Cooper, Lottie Victory Cleaning Service 520 Oakbluff Circle Charlotte, NC 28216 704-395-1535	Not Renewed
Edmonds, James NLJ Maintenance World 800 Chelwood Place Charlotte, NC 28217 704-661-1061	Voluntarily Ceased to do Business

Faulkner, Greg 410 Enterprises, Inc. 6300 Monticott Drive Charlotte, NC 28213 704-239-4897	Voluntarily Ceased to do Business
Howard, Jonathan & Shelby SAVVY By You Cleaning Service 5611 Grey Dogwood Ct Charlotte, NC 28269 704-425-2630	Voluntarily Ceased to do Business
Mitchell, John APJ Transportation 4418 Dawnwood Drive Charlotte, NC 28212 704-536-6546	Voluntarily Ceased to do Business
Randolph, Charles El Shadia Cleaning Services 6002 Pennycross Lane Charlotte, NC 28216 704-393-8370	Voluntarily Ceased to do Business
Roberts, Cleve Majestic Cleaning 7400 Cromwell Lane Charlotte, NC 28217 704-523-7784	Voluntarily Ceased to do Business
Uhuru, Valiant Valor Valet Cleaning 3024 Cricketeer Drive Charlotte, NC 28216 704-340-6385	Not Renewed
Walker, Rodrick Quick Finish Supreme Cleaning 5117 Grapevine Drive Charlotte, NC 28217 704-492-8282	Voluntarily Ceased to do Business
Coleman, Ronnie <u>Coleman & Coleman Cleaning Service</u> 340 E Deanna Lane Charlotte, NC 28217 704-962-6617	<u>Voluntarily Ceased to do Business</u>
Frazier, Michelle <u>Roseboro Janitorial</u> <u>11340 Red Finch Lane</u> <u>Charlotte, NC 28214</u> <u>704-401-8864</u>	<u>Voluntarily Ceased to do Business</u>
Friday (Miller), Dorothy <u>Happy Valley Cleaning</u> <u>6311 Ziegler Lane</u> <u>Charlotte, NC 28269</u> <u>704-912-3409</u>	<u>Voluntarily Ceased to do Business</u>

<u>Gause, Carrie</u> <u>Glow Busters</u> <u>247 W Kingston Avenue</u> <u>Charlotte, NC 28203</u> <u>704-605-6227</u>	<u>Voluntarily Ceased to do Business</u>
<u>Greene, Tirrell</u> <u>LOF Cleaning Service</u> <u>5832 Painted Fern Ct.</u> <u>Charlotte, NC 28269</u> <u>704-598-5162</u>	<u>Voluntarily Ceased to do Business</u>
<u>Kubilus, Geoffrey</u> <u>GloClean</u> <u>14285 Wynthollow Downs Lane</u> <u>Charlotte, NC 28277</u> <u>980-207-3334</u>	<u>Voluntarily Ceased to do Business</u>
<u>Nsafoah, Linda</u> <u>VL Professional Cleaners</u> <u>PO Box 385</u> <u>Pawcreek, NC 28130</u> <u>704-395-1322</u>	<u>Voluntarily Ceased to do Business</u>
<u>Perkins, Cynthia-Baker</u> <u>The Clean Look</u> <u>431 Alexander Street</u> <u>Matthews, NC 28105</u> <u>704-618-2126</u>	<u>Voluntarily Ceased to do Business</u>
<u>Tipton, Tanara</u> <u>Spotless Custom Cleaning</u> <u>7814 Corder Drive</u> <u>Charlotte, NC 28212</u> <u>423-355-0762</u>	<u>Voluntarily Ceased to do Business</u>
<u>Winckler, Karen</u> <u>KK Rerora Enterprises</u> <u>2909 Ravencroft Drive</u> <u>Charlotte, NC 28208</u> <u>347-907-9846</u>	<u>Voluntarily Ceased to do Business</u>
South Carolina	
<u>Amerson, Bruce</u> <u>Amerson's Cleaning Service</u> <u>3985 Overlook Road</u> <u>Rock Hill, SC 29730</u> <u>803-328-9647</u>	<u>Not Renewed</u>
<u>Austin, Jacqueline</u> <u>Triple J Cleaning</u> <u>351 Porter Road</u> <u>Rock Hill, SC 29730</u> <u>803-324-3736</u>	<u>Voluntarily Ceased to do Business</u>
<u>Evans, Doris</u> <u>J & Z Cleaning Service</u> <u>823 Southspruce Street</u> <u>Rock Hill, SC 29730</u> <u>803-324-4838</u>	<u>Voluntarily Ceased to do Business</u>

<u>Hayden, Samantha</u> <u>S&H Cleaning Service</u> <u>1814 Airport Road</u> <u>Lancaster, SC 29720</u> <u>803-235-6986</u>	<u>Voluntarily Ceased to do Business</u>
<u>McClain, Megan</u> <u>C and M Cleaning Service</u> <u>104 Adnah Hills Avenue</u> <u>Rock Hill, SC 29732</u> <u>803-517-9927</u>	<u>Voluntarily Ceased to do Business</u>
<u>Jamison, Marcus</u> <u>Jamison Cleaning Service</u> <u>4880 Walker Wade Road</u> <u>Sharon, SC 29742</u> <u>803-448-6235</u>	<u>Voluntarily Ceased to do Business</u>
<u>Simpson, Yukota</u> <u>Knockout Cleaning Service</u> <u>1219 Potomac Ct.</u> <u>Indian Land, SC 29707</u> <u>803-554-8130</u>	<u>Voluntarily Ceased to do Business</u>

In addition, during the most recently completed fiscal year the following Mint Condition Individual Franchised Businesses, who were franchisees of our Master Franchisees, had their Individual Franchised Business terminated, canceled, not renewed or have otherwise voluntarily or involuntarily ceased to do business under their Franchise Agreements.

Name & Address of Franchisee	Reason for leaving
Florida	
<u>Barther, Larry</u> <u>Building Maintenance Partners</u> <u>2688 Coachman Lakes Drive</u> <u>Jacksonville, FL 32246</u> <u>904-714-8883</u>	<u>Voluntarily Ceased to do Business</u>
<u>Begash, Asnake</u> <u>409 Jefferson Avenue #103</u> <u>Jacksonville, FL 32065</u> <u>904-235-9432</u>	<u>Voluntarily Ceased to do Business</u>
<u>Cubano, Carlos</u> <u>JC Future Enterprises Inc.</u> <u>4115 Moonrise Court</u> <u>Middleburg, FL 32246</u> <u>904-707-4322</u>	<u>Voluntarily Ceased to do Business</u>
<u>Jarquín, Jose</u> <u>Vic's Cleaning Service</u> <u>2389 Mills Road</u> <u>Jacksonville, FL 32216</u> <u>904-994-7020</u>	<u>Voluntarily Ceased to do Business</u>

<u>Ketema, Shawel</u> <u>Shawel Ketema Cleaning Service</u> <u>6710 Collins Road #1511</u> <u>Jacksonville, FL 32444</u> <u>904-614-5549</u>	<u>Voluntarily Ceased to do Business</u>
<u>Molina, Jennifer</u> <u>The People That Clean Inc.</u> <u>2534 Columbine Drive N</u> <u>Jacksonville, FL 32211</u> <u>904-444-3565</u>	<u>Voluntarily Ceased to do Business</u>
<u>Nelson-Jones, Roneese</u> <u>Mr. Spotless Cleaning Services</u> <u>6525 Brandemere Road South</u> <u>Jacksonville, FL 32211</u> <u>904-742-3469</u>	<u>Voluntarily Ceased to do Business</u>
<u>Roberts, Kevin</u> <u>Kevin's Cleaning Service</u> <u>5238-23 Norwood Avenue</u> <u>Jacksonville, FL 32208</u> <u>904-235-5890</u>	<u>Voluntarily Ceased to do Business</u>
<u>Washington, Maner</u> <u>Washington Janitorial & Landscaping</u> <u>1408 S Secretariat Lane</u> <u>Jacksonville, FL 32218</u> <u>904-571-4504</u>	<u>Voluntarily Ceased to do Business</u>
<u>Zellelew, Abiyot</u> <u>1171 Lane Avenue, Apt 210</u> <u>Jacksonville, FL 32205</u> <u>904-345-1124</u>	<u>Voluntarily Ceased to do Business</u>
<u>Butler, Brittany</u> <u>On Point Cleaning</u> <u>1631 Mill Creek Road</u> <u>Jacksonville, FL 32111</u> <u>904 485 7957</u>	Voluntarily Ceased to do Business
<u>Cates, Sean</u> <u>Vivid Spaces LLC</u> <u>8970 Hermance Court</u> <u>Jacksonville, FL 32216</u> <u>904 545 7313</u>	<u>Voluntarily Ceased to do Business</u>
<u>Oyola, Joe</u> <u>Chilltown Inc.</u> <u>4090 Hodges Blvd, Suite 2502</u> <u>Jacksonville, FL 32224</u> <u>904 442 1000</u>	Voluntarily Ceased to do Business
Georgia	
<u>Carter, Loretta</u> <u>J&L Cleaning Service</u> <u>1730 Westwood Avenue</u> <u>Atlanta, GA 30310</u> <u>404-353-1950</u>	<u>Voluntarily Ceased to do Business</u>

<u>Mullen, Robin</u> <u>Dynasty Cleaning</u> <u>PO Box 563</u> <u>Stockbridge, GA 30281</u> <u>716-868-4110</u>	<u>Voluntarily Ceased to do Business</u>
<u>Broome, Dennis</u> <u>CND Commercial Cleaning Service</u> <u>5154 Rosetrace Cove</u> <u>Powder Springs, GA</u> <u>678-549-1128</u>	<u>Voluntarily Ceased to do Business</u>
<u>Parker Evans, Muriel</u> <u>Parker Commercial Cleaning</u> <u>4902 Larkspur Lane</u> <u>Atlanta, GA 30349</u> <u>404-438-8057</u>	<u>Voluntarily Ceased to do Business</u>
<u>New Jersey</u>	
<u>Martin, LeShon</u> <u>123 Kenwood Drive</u> <u>Sicklerville, NJ 08081</u> <u>856-857-4445</u>	<u>Voluntarily Ceased to do Business</u>
<u>Ramos, Omar</u> <u>Premiere Commercial Cleaning</u> <u>701 W Red Bank Ave F-20</u> <u>Woodbury, NJ 08096</u> <u>856-673-9590</u>	<u>Voluntarily Ceased to do Business</u>
<u>North Carolina</u>	
<u>Bennett, Veronica</u> <u>1160 Laurel Crest Road</u> <u>King, NC 27021</u> <u>336-978-1436</u>	<u>Voluntarily Ceased to do Business</u>
<u>Collier, Patrice</u> <u>PC Commercial Industrial Cleaning</u> <u>2639 Englehardt Street</u> <u>Charlotte, NC 28216</u> <u>704-713-6919</u>	<u>Voluntarily Ceased to do Business</u>
<u>Dangeso, Manale</u> <u>MD Family Cleaning Service</u> <u>414 Waldo Street</u> <u>Cary, NC 27511</u> <u>919-771-6915</u>	<u>Voluntarily Ceased to do Business</u>
<u>Davis, Ronald Grant</u> <u>Braveheart Ventures</u> <u>136 Carpenter Street</u> <u>Newland, NC 28657</u> <u>828-467-9320</u>	<u>Voluntarily Ceased to do Business</u>
<u>Simmons, Gerald</u> <u>Always Clean</u> <u>3608 Peppersauce Street</u> <u>Raleigh, NC 27610</u> <u>919-522-6108</u>	<u>Voluntarily Ceased to do Business</u>

<u>Taddele, Haile</u> <u>X-Press</u> <u>1024 E Horseshoe Road</u> <u>Durham, NC 27703</u> <u>240-688-9911</u>	<u>Voluntarily Ceased to do Business</u>
<u>Woldemedhin, Endalkachew</u> <u>Endy Cleaning Services</u> <u>2010 Melrose Forest Lane</u> <u>Raleigh, NC 27603</u> <u>919-306-8128</u>	<u>Voluntarily Ceased to do Business</u>
<u>Gebremedhin, Haregwein</u> <u>Tale Commercial Cleaning</u> <u>114 N Norwood Court</u> <u>Mebane, NC 27302</u> <u>919-304-2032</u>	<u>Voluntarily Ceased to do Business</u>
<u>McClamy, Shawn</u> <u>Focus Cleaning</u> <u>57 Sierra Court</u> <u>Angier, NC 27501</u> <u>910-703-2070</u>	<u>Voluntarily Ceased to do Business</u>
<u>Tefera, Belayeh</u> <u>Shallom to You</u> <u>625 Centennial Parkway, Apt 206</u> <u>Raleigh, NC 27606</u> <u>919-559-5108</u>	<u>Voluntarily Ceased to do Business</u>
<u>Woldyes, Binyam</u> <u>Binyam Cleaning</u> <u>3066B Woods Place</u> <u>Raleigh, NC 27607</u> <u>919-798-3987</u>	<u>Voluntarily Ceased to do Business</u>
<u>Zena, Felekech</u> <u>Amanuel Cleaning</u> <u>113 Millpass Drive</u> <u>Holly Springs, NC 27540</u> <u>919-345-6268</u>	<u>Voluntarily Ceased to do Business</u>
Pennsylvania	
<u>Gardner, Chris</u> <u>Chris Gardner Cleaning</u> <u>164 Tom Avenue</u> <u>Ephrata, PA 17522</u> <u>717-733-1499</u>	<u>Voluntarily Ceased to do Business</u>
<u>*Stanfield, AJ</u> <u>PO Box 6180</u> <u>Wyomissing, PA 19610</u> <u>484-688-4856</u> <u>*Franchisee signed separate franchise agreements</u> <u>With two different Master Franchise Owners.</u>	<u>Voluntarily Ceased to do Business</u>
<u>Leibensperger, Mark</u> <u>Marks Cleaning</u> <u>3700 Cedar Drive</u> <u>Walnutport, PA 18088</u> <u>484-225-6259</u>	<u>Voluntarily Ceased to do Business</u>

Otero, Sorienid 328 Beaver Street Lancaster, PA 17603 717-538-6098	Voluntarily Ceased to do Business
South Carolina Tennessee	
Ellis, Christopher Big Ellis Professional Cleaning 133 Colonial Drive Chesnee, SC 29323 864-607-5343	Voluntarily Ceased to do Business
Groves, Javaris 68 Villa Road, Apt 911 Greenville, SC 29615	Voluntarily Ceased to do Business
Tennessee	
Evans, Perry 2800 12 th Avenue Chattanooga, TN 37404 423-475-6424	Voluntarily Ceased to do Business
Ferrell, Eva 3302 Provence Street Chattanooga, TN 37411 423-394-0947	Voluntarily Ceased to do Business
Gregory, Connie GNG Commercial Cleaning 1047 Hinton Road Bethpage, TN 37022 615-388-6513	Voluntarily Ceased to do Business
Hammonds, Hailey 4007 6 th Avenue Chattanooga, TN 37407 423-635-2879	Voluntarily Ceased to do Business
McColley, Shawn 2236 Tunnel Blvd Chattanooga, TN 37406 770-678-7808	Voluntarily Ceased to do Business
Ross, Candice 2019 Emma Kate Drive Chattanooga, TN 37406 423-305-0520	Voluntarily Ceased to do Business
Rabbe, Adam Adam and Eve's Cleaning 505 Piccadilly Row #71 Anitoch, TN 37013 615-593-0839	Voluntarily Ceased to do Business
Smith, Donald Smith Enterprises 1715 Clydeway Dr Murfreesboro, TN 37130 616-809-4877	Voluntarily Ceased to do Business
Thurmond, Michael 2513 Hamilton Cove	Voluntarily Ceased to do Business

Chattanooga, TN 37421 423-394-8860	
Wilkerson, Tyronda 6325 Brickhouse Road Chattanooga, TN 37421 423-710-3700	Voluntarily Ceased to do Business

*Franchisee signed separate franchise agreements with 2 different Master Franchise Owners.

In addition, during the most recently completed fiscal year the following Master Franchised Business Owners ceased to do business.

Name & Address of Franchisee	Reason for leaving
Florida New Jersey	
Aaron Bacus ANB Capital, Inc. 10033 Sawgrass Dr West, St. 200 Ponte Vedra Beach, FL 32082 904-450-4386	Voluntarily Ceased to do Business
Pitrak, Paul Pitrak Associates, LLC 811 Church Road, Suite 108 Cherry Hill, NJ 08002 856-324-4275	Voluntarily Ceased to do Business
Utah	
Swensen, David VITCO, Inc. 6575 S. Redwood Road, Suite 100 Taylorsville, UT 84123 801-716-2428	Voluntarily Ceased to do Business

We have not had communication with the following franchisees during the ten weeks preceding the Franchise Disclosure Document issuance date: None.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, we have not signed confidentiality agreements with any of our current or former franchisees.

There are no franchise associations in the Mint Condition franchise system.

Item 21

FINANCIAL STATEMENTS

The financial statements listed below are attached to this Franchise Disclosure Document as Exhibit E in the following order:

- (1) Audited Financial Statement for the Franchisor dated December 31, 2013~~2~~ for fiscal years 2013~~2~~ and 2012~~1~~;
- (2) Audited Financial Statement for the Franchisor dated December 31, 2012~~1~~ for the fiscal years 2012~~1~~ and 2011~~0~~; and
- ~~(3) Unaudited Financial Statement for the Franchisor dated as of March 31, 2014~~3~~ for the period January 1, 2014~~3~~ through March 31, 2014~~3~~.~~

Item 22

CONTRACTS

Attached are copies of the following agreements relating to the offer of the franchise:

Exhibit D	Master Franchise Agreement
Exhibit D-1	Individual Franchise Agreement Template
Exhibit F	Confidentiality and Non-Disclosure Agreement
Exhibit G	Guaranty of Master Franchise Owner's Undertakings
Exhibit I	Non-Disclosure and Non-Competition Agreement
Exhibit J	Agreement for Assignment of Office Lease

Item 23

RECEIPT

Two copies of an acknowledgement of your receipt of this Franchise Disclosure Document appear as the last 2 pages of the Franchise Disclosure Document. It is a detachable document and one copy must be signed by you and given to us. The other copy may be retained by you for your records. If this page or any other pages or exhibits are missing from your copy, please contact us at the address shown in Item 1.

EXHIBIT A

LIST OF STATE ADMINISTRATORS

We intend to register this Franchise Disclosure Document as a “franchise” in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA California Corporations Commissioner Department of Corporations 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 876-7500 Toll Free: (866) 275-2677	MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	MICHIGAN Department of Attorney General - Consumer Protection Div., G. Mennen Williams Building 525 W. Ottawa St. P.O. Box 30212 Lansing, Michigan 48933 Lansing, MI 48909 (517) 373-7117
ILLINOIS Illinois Office of Attorney General Franchise Division 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	MINNESOTA Commissioner of Commerce Department of Commerce 85 7 th Place East, Suite 500 St. Paul, Minnesota 55101 (651) 296-4026
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	NEW YORK Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway, 23rd Floor New York, New York 10271 (212) 416-8211
NORTH DAKOTA Securities Department 600 Boulevard Avenue, State Capitol Fifth Floor, Dept. 414 Bismarck, North Dakota 58505 (701) 328-4712	VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 th Floor Richmond, Virginia 23219 (804) 371-9051

RHODE ISLAND Department of Business Regulation Securities Division Bldg. 69, First Floor John P. Pastore Center 1511 Pontiac Ave. Cranston, Rhode Island 02920 (401) 462-9527	WASHINGTON Department of Financial Institutions Securities Division – 3 rd Floor 150 Israel Road, S.W. Tumwater, Washington 98501 (360) 902-8760
SOUTH DAKOTA Director of Division of Securities 445 E. Capitol Pierre, South Dakota 57501 (605) 773-4013	WISCONSIN Office of the Commissioner of Securities 345 West Washington Avenue, Fourth Floor Madison, Wisconsin 53703 (608) 261-9555

EXHIBIT B

AGENTS FOR SERVICE OF PROCESS

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

CALIFORNIA California Corporations Commissioner 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677	NEW YORK New York State Department of State Division of Corporations Second Floor 41 State Street Albany, New York 12231
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	NORTH CAROLINA John F. Saumby 1057 Red Ventures 521 Corporate Center Drive, Suite 165 Fort Mill, South Carolina 29707
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	NORTH DAKOTA North Dakota Securities Commissioner 600 Boulevard Avenue, State Capitol Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
INDIANA Indiana Secretary of State 201 State House Indianapolis, Indiana 46204 (317) 232-6681	RHODE ISLAND Director of Department of Business Regulation Department of Business Regulation Securities Division Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	SOUTH DAKOTA Director of Division of Securities 445 E. Capitol Pierre, South Dakota 57501 (605) 773-4013

MICHIGAN Dept. of Energy, Labor, & Economic Growth Corporations Division P.O. Box 30054 Lansing, Michigan 48909 7150 Harris Drive Lansing, Michigan 48909 (517) 373-7117	VIRGINIA Clerk of the State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, Virginia 23219 (804) 371-9733
MINNESOTA Commissioner of Commerce 85 7 th Place East, Suite 500 St. Paul, Minnesota 55101 (651) 296-4026	WASHINGTON Director of Department of Financial Institutions Securities Division – 3 rd Floor 150 Israel Road, S.W. Tumwater, Washington 98501 (360) 902-8760
	WISCONSIN Commissioner of Securities 345 West Washington Avenue, Fourth Floor Madison, Wisconsin 53703 (608) 261-9555

EXHIBIT C
INTENTIONALLY DELETED

.

EXHIBIT D

MASTER FRANCHISE AGREEMENT

MINT CONDITION FRANCHISING, INC.

MASTER FRANCHISE AGREEMENT

INITIALS _____

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
I. <u>PARTIES</u>	2
II. <u>RECITALS</u>	2
A. Ownership of System	2
B. Objectives of Parties.....	3
III. <u>GRANT OF MASTER FRANCHISE</u>	3
A. Granting Clause	3
B. Territorial Rights	3
IV. <u>TERM AND RENEWAL</u>	4
A. Initial Term.....	4
B. Renewal	4
V. <u>SERVICES TO MASTER FRANCHISE OWNER</u>	5
A. Business Premises.....	5
B. Master Franchise Manual	6
C. Training	6
D. Computer Software.....	8
E. Software's Limitation on Warranty	9
F. Advertising.....	9
G. Supplies	10
VI. <u>PAYMENTS BY MASTER FRANCHISE OWNER</u>	11
A. Initial Master Franchise Fee	11
B. Franchise Sales of Individual Janitorial Franchise Agreements	12
C. Percent of Gross Revenues.....	12
D. Definition of Gross Revenues.....	13
E. Reports	13
F. Marketing for Janitorial Franchise Agreement Owners	13
G. Marketing for New Cleaning Accounts.....	14
H. Audits	16
I. Training and Continuing Education	16

<u>PARAGRAPH</u>	<u>PAGE</u>
J. Transfer Fee	16
K. Interest on Late Payments.....	16
VII. <u>OBLIGATIONS OF MASTER FRANCHISE OWNER</u>	17
A. Contracts with Janitorial Franchise Owner.....	17
B. Development Schedule.....	18
C. Services to Janitorial Franchise Owner	19
D. Use of Proprietary Marks	19
E. Office	21
F. Quality Control	22
G. Personnel.....	24
H. Operation of Janitorial Cleaning Business.....	25
I. Financial Information.....	25
J. Insurance	25
K. Financial and Legal Responsibility	27
L. Access to Master Franchise Owner's Information	28
VIII. <u>FRANCHISE LAWS</u>.....	28
A. Disclosure and Registration Laws	28
B. Preparation of Franchise Disclosure Document	28
C. Registration	29
D. Timing	29
E. Amendments.....	29
F. Delivery	29
G. Representations	30
IX. <u>RELATIONSHIP OF PARTIES</u>	30
A. Proprietary Marks	30
B. Fiduciary Relationship	30
C. Master Franchise Owner	30
X. <u>CONFIDENTIALITY OF PROPRIETARY INFORMATION</u>	31
A. Definitions.....	31
B. Non Disclosure Covenant	31
C. Master Franchise Owner's Employees Will Not Disclose Proprietary Information	32
D. Franchisor's Patent Rights and Copyrights	32
E. Ownership of Newly Developed Products and Services	32

<u>PARAGRAPH</u>	<u>PAGE</u>
XI. <u>COVENANTS</u>	32
A. Master Franchise Owner Receives Confidential Information.....	32
B. No Diversion of Business	32
C. Covenant Not to Compete	33
D. Exception to Covenant Not to Compete.....	34
E. Covenants are Independent	34
F. Claims Are Not Defense to Covenants	34
G. Injunctive Relief Available to Franchisor.....	34
XII. <u>NO SOLICITATION</u>	34
A. Employees	34
B. Customers	35
XIII. <u>MODIFICATION</u>	35
XIV. <u>SEPARATE AGREEMENTS</u>	35
XV. <u>INDEMNIFICATION</u>	35
XVI. <u>TRANSFER OF MASTER FRANCHISE AGREEMENT</u>	36
A. Purpose of Conditions.....	36
B. Notice of Proposed Transfer	36
C. Consent by Franchise Owner.....	36
D. Conditions for Consent to Transfer	37
XVII. <u>WAIVERS OF SOME CONDITIONS UPON CERTAIN TYPES OF TRANSFERS</u>	38
A. Incorporation	38
B. Transfer of Partial Interest Between Co-Owners	38
C. Death or Substantial Injury	38
D. Franchisor's Right of First Refusal.....	39

<u>PARAGRAPH</u>	<u>PAGE</u>
E. Assignment by Franchisor.....	39
<u>XXVIII. TERMINATION OF MASTER FRANCHISE AGREEMENT</u>	39
A. Termination by Mutual Consent	39
B. Termination by Franchisor	40
C. Termination by Master Franchise Owner	41
D. Rights and Obligations After Termination	41
E. Franchisor's Remedies	45
F. Continuing Obligations	45
<u>XIX. ENFORCEMENT.....</u>	45
A. Judicial Enforcement, Injunction and Specific Performance.....	45
B. Severability and Substitution of Valid Provisions	45
C. Master Franchise Owner May Not Withhold Payments.....	
Due Franchisor.....	46
D. Rights of Parties are Cumulative.....	46
E. Governing Law.....	46
F. Binding Effect.....	46
G. Attorney Fees.....	46
H. Modification.....	46
I. Venue.....	47
<u>XX. CONSTRUCTION OF MASTER FRANCHISE AGREEMENT</u>	47
<u>XXI. NOTICES.....</u>	47
<u>XXII. APPROVAL AND GUARANTEES.....</u>	47
<u>XXIII. ACCEPTANCE BY FRANCHISOR</u>	48
<u>XXIV. VARYING STANDARDS</u>	48
<u>XXV. SPECIAL REPRESENTATIONS.....</u>	48

ATTACHMENTS:

- A Terms**
- B Guaranty of Master Franchise Owner's Undertakings**
- C Non-Disclosure and Non-Competition Agreement**
- D Agreement for Assignment of Office Lease**

MINT CONDITION FRANCHISING, INC.

MASTER FRANCHISE AGREEMENT

Master Franchise Owner(s) Name _____
Street _____
City _____ State _____ Zip _____
Effective Date of Agreement: _____

THIS MASTER FRANCHISE AGREEMENT ("Agreement") is made by and between Mint Condition Franchising, Inc. a North Carolina Corporation (hereinafter known as "Franchisor" or "the Company") and the persons listed above and referenced to herein individually or collectively as "Master Franchise Owner" to evidence the agreement and understandings between the parties as follows:

WHEREAS, Franchisor, under its trade names, trademarks, logos and service marks (the "Proprietary Marks") has developed expertise (including confidential information) and a unique and comprehensive system (the "System") for the promotion and identification of the mark "Mint Condition" for the sale of products and services within territories (the "Mint Condition Master Franchise Business" or the "Master Franchise Business"); and

WHEREAS, the Master Franchise Owner shall operate the Master Franchise Business from a location that must be pre-approved by the Franchisor (the "Approved Location"); and

WHEREAS, Franchisor has developed, operates and licenses a system or business program, including know-how for operating the Franchisor's System under the registered mark "Mint Condition"; and

WHEREAS, Franchisor has developed a uniform System for the establishment and operation of Mint Condition Master Franchise Businesses including unique techniques, materials for preparation and other related benefits for use by Master Franchise Owner under the Proprietary Marks; and

WHEREAS, Franchisor has established substantial goodwill and business value in its Proprietary Marks, expertise and System; and

WHEREAS, Master Franchise Owner recognizes the benefits to be derived from being identified with and licensed by Franchisor; and

WHEREAS, Master Franchise Owner desires to obtain a Master Franchise from Franchisor for the right to use the Proprietary Marks and the expertise for operating a Mint Condition Master Franchise Business and to obtain the benefits and knowledge of Franchisor's System including, without limitation, operating methods, advertising, signs,

control systems, and in general a style, method and procedure of business operation utilizing the Proprietary Marks as a Master Franchise Owner of Mint Condition.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND COVENANTS SET FORTH, SUBJECT TO THE TERMS AND CONDITIONS HEREOF, THE PARTIES AGREE AS FOLLOWS:

I. PARTIES

This Agreement is made as of the Effective Date (defined below) by and between Mint Condition Franchising, Inc., a North Carolina corporation doing business as Mint Condition ("Franchisor" or "the Company"), having its principal office at 1057 Red Ventures~~521 Corporate Center Drive~~, Suite 165, Fort Mill, South Carolina 29707, and the undersigned Master Franchise Owner ("Master Franchise Owner") whose full name and address are set forth in Attachment A to this Agreement.

For the purposes of this Agreement, the term "Related Party" means: (a) people and entities who are Substantial Owners of the Master Franchise Owner; (b) entities in which Master Franchise Owner has a direct or indirect Substantial Interest; or (c) entities which have a direct or indirect Substantial Interest in Master Franchise Owner.

For the purposes of this Agreement, the term "Substantial Interest" means the direct or indirect ownership or control of 10% or more of the Master Franchise Owner.

For the purposes of this Agreement, the term "Substantial Owner" means each of the officers, general partners, trustees or managing members of the Master Franchise Owner, and each holder of a Substantial Interest in the Master Franchise Owner.

II. RECITALS

A. Ownership of System

Franchisor is the owner of certain intellectual property rights, including Franchisor's Trade Name "Mint Condition" and the Mark "Mint Condition" and design. Franchisor and its Affiliates have spent a considerable amount of time, effort and money to devise, and continue to develop business methods, technical knowledge and marketing concepts including, but not limited to, commercial ideas, advertising materials, marketing strategies, information on sources of supply, administrative procedures, business forms and distinctive signage for the operation of commercial janitorial and other facility services businesses. These techniques and ideas are combined to form a franchising concept in the janitorial contract services field. This proprietary concept highly motivates individual Janitorial Franchise Owner(s), enabling the Franchisor, its Affiliates and their Master Franchise Owners to provide high quality commercial janitorial and other facility services to their customers at competitive prices.

B. Objectives of Parties

Franchisor wishes to grant to Master Franchise Owner and Master Franchise Owner wishes to accept from Franchisor a Master Franchise to procure and assist Janitorial Franchise Owners, using Franchisor's Proprietary Marks and System, upon the terms and conditions set forth in this Agreement.

III. GRANT OF MASTER FRANCHISE

A. Granting Clause

Franchisor hereby grants to Master Franchise Owner and Master Franchise Owner hereby accepts from Franchisor a Master Franchise to offer, grant and provide services to Janitorial Franchise Owners, and to solicit and contract with janitorial customers to be provided janitorial services by Janitorial Franchise Owners, all within an exclusive territory (the "Territory"), using the Trade Name, Proprietary Marks and System in accordance with the terms of this Agreement. Master Franchise Owner may not solicit, contract with, or provide services to any Janitorial Franchise Owner or Janitorial Customer located outside the Territory. Franchisor reserves all rights in the Trade Name, Proprietary Marks and System not expressly granted in this Agreement.

B. Territorial Rights

1. Restrictions on Franchisor

For so long as this Agreement is in effect and Master Franchise Owner and its Related Parties are in Good Standing, then except as set forth elsewhere in this Agreement, neither Franchisor nor any of its Affiliates will do any of the following:

- a. Offer or sell Mint Condition Janitorial Franchise Agreements, or solicit or provide services for Janitorial Customer accounts, in the Territory;
- b. License any other Master Franchise Owner to offer or sell Mint Condition Janitorial Franchise Agreements, or solicit or provide services for Janitorial Customer accounts, except for National Accounts, in the Territory;
- c. Sell products or services to Janitorial Franchise Owner or Janitorial Customers within the Territory without first offering Master Franchise Owner the opportunity to do so; if Master Franchise Owner declines the opportunity, then Franchisor

and/or its Affiliates or other Master Franchise Owners may make such sales; or

- d. Engage in any of the activities prohibited above under a different name or trade name.

For the purposes of this Agreement, the term “Good Standing” means timely compliance by the Master Franchise Owner and its Related Parties with all provisions of this Agreement and the Franchisor’s Manuals.

2. Regional and National Accounts Customers

Franchisor may enter into agreements with commercial Janitorial Customers to provide janitorial services for offices and/or other commercial premises located both within and outside the Territory (“Regional Accounts” or “National Accounts”). Franchisor will offer Master Franchise Owner the first right to have its Janitorial Franchise Owners provide the contracted services to any National Account premises located within the Territory. If Master Franchise Owner and/or its Janitorial Franchise Owner are unwilling or unable to service the National Account upon the agreed terms, Franchisor may service that account itself or through other Mint Condition Master Franchise Owners or independent contractors, without any payment to Master Franchise Owner.

IV. TERM AND RENEWAL

A. Initial Term

The initial term of the Master Franchise will begin on the Effective Date noted on Attachment A and continue for a period of twenty (20) years, subject to the termination provision as set forth in the Agreement.

B. Renewal

Master Franchise Owner will have the right to renew the Master Franchise for an unlimited number of ten (10) year terms on the same terms and conditions as those on which Franchisor is customarily granting new Master Franchises at the time of renewal, subject to the following terms and conditions at the time of each renewal:

1. Master Franchise Owner and its Related Parties are in Good Standing under this Agreement, and all other agreements with Franchisor or any Affiliate of Franchisor;

2. Master Franchise Owner and its Substantial Owners who have signed the then existing Agreement and/or its Attachments must sign copies of the new Master Franchise Agreement and its attachments not less than thirty (30) days prior to the expiration of the then existing Agreement or thirty (30) days after Master Franchise Owner receives copies of the new documents from Franchisor, whichever is later;
3. Master Franchise Owner shall take all steps necessary to ensure that the Approved Location and the equipment, furniture and fixtures at the Approved Location meet the Franchisor's current standards, as set forth in the Franchisor's Master Franchise Manual(s);
4. Master Franchise Owner has renewed or has the right to renew the lease for the Approved Location, or a different office approved by Franchisor;
5. Master Franchise Owner and its Substantial Owners have signed a general release of claims in a form satisfactory to Franchisor with respect to past dealings with Franchisor and its Affiliates; and
6. Master Franchise Owner shall pay to the Franchisor a renewal fee of ten percent (10%) of the then current Initial Master Franchise Fee being charged by the Franchisor in its then current Master Franchise Agreement.

Master Franchise Owner understands that the terms of the standard Master Franchise Agreement in use by Franchisor at the times of renewal may contain materially different terms than those contained in this Agreement, including, but not limited to, increased Royalties and National Advertising Fund contributions.

V. SERVICES TO MASTER FRANCHISE OWNER

In addition to its obligations specified elsewhere in this Agreement, Franchisor agrees to perform the following services for Master Franchise Owner, at locations selected by Franchisor, provided that Master Franchise Owner and its Related Parties are, at the time when service is to be rendered, in Good Standing under this Agreement and all other agreements with Franchisor and its Affiliates:

A. Business Premises

Franchisor will advise Master Franchise Owner in selecting an office site for the Master Franchise Business, space planning, constructing tenant improvements, and furnishing and equipping its business premises.

B. Master Franchise Manuals

1. Master Franchise Manual

Franchisor will lend Master Franchise Owner a “Master Franchise Manual” containing information on marketing, management and administration methods developed by Franchisor for use in the Master Franchise Business, including, but not limited to, material on sales and marketing of Janitorial Franchise Agreements, the current form of Janitorial Franchise Agreement used by Franchisor, solicitation of Janitorial Customers, operation of the Master Franchise Business, and use of the Mint Condition Customized Software System, and other information that Franchisor believes will be necessary or helpful to Master Franchise Owner in its operation of the Master Franchise Business. Franchisor may revise the Master Franchise Manual periodically to conform to the changing needs of the Franchise Network and will distribute up-dated pages containing these revisions to Master Franchise Owner.

2. Janitorial Operations Manual

Franchisor will furnish to Master Franchise Owner a prototype copy of the Mint Condition Operations Manual for Janitorial Franchise Owners (the “Janitorial Operations Manual”). Franchisor may revise and update the Janitorial Operations Manual periodically. Master Franchise Owner will provide copies of the Janitorial Operations Manual to each of its Janitorial Franchise Owner and will provide updates to Janitorial Franchise Owner promptly upon receipt from Franchisor.

C. Training

1. Initial Training and Pre-Opening Assistance

- a. Franchisor will provide a training program concerning the operation of the Mint Condition Master Franchise Business consisting of up to ten (10) business days of training at the Franchisor’s Office and/or an existing Master Franchise Business, and up to five (5) business days at the Master Franchise Owner’s Mint Condition Master Franchise Business and/or the site of Master Franchise Owner’s customer (s) locations. The Franchisor and Master Franchise Owner will mutually select the exact days of the training program. Master Franchise Owner will attend such training program at no charge to the Master Franchise Owner. Master Franchise

Owner will be responsible for any travel, lodging, meals or other costs for the attendee(s) of the training program at the Mint Condition Home Office Master Franchise Business, and/or an existing location. Franchisor will pay its own out-of-pocket expenses for training at the Master Franchise Owner's Master Franchise Business and/or its customer site(s). Master Franchise Owner must attend the training sessions. Satisfactory completion of all mandatory training sessions is required. Failure to do so may result in a breach of this Agreement and termination hereof.

- b. Franchisor may conduct additional seminars or other training programs for the benefit of the Master Franchise Owner, and Master Franchise Owner (and/or Master Franchise Owner's employees) shall attend any such seminar or program. Franchisor may charge a reasonable fee for such seminar or program if it is deemed appropriate. Any and all travel, living and other expenses incurred by employees of Master Franchise Owner attending such training shall be paid by Master Franchise Owner.**
- c. Master Franchise Owner may make reasonable requests for training in addition to that specified above, and Franchisor shall, in its sole discretion, provide such training at Master Franchise Owner's expense, including, without limitation, any travel, lodging and meals and other related costs. Franchisor may charge a reasonable fee for such additional training, if such additional training is provided.**
- d. Master Franchise Owner shall complete and shall cause its employees to complete, to Franchisor's satisfaction, such other initial or additional training as Franchisor may reasonably require from time to time.**
- e. Master Franchise Owner may not open his or her Mint Condition Master Franchise Business without Franchisor's prior written approval and only after Master Franchise Owner has completed his or her initial training to Franchisor's satisfaction and only after compliance with Franchisor's other pre-opening requirements.**
- f. Franchisor may assist Master Franchise Owner with the purchase of the initial inventory for the Master Franchise Business.**

2. Continuing Education

Franchisor may conduct additional seminars or other training programs for the benefit of the Master Franchise Owner, and Master Franchise Owner (and/or Master Franchise Owner's employees) shall attend any such seminar or program. Franchisor may charge a reasonable fee for such seminar or program.

D. Computer Software

1. Master Franchise Owner must acquire at its expense, by license or usage agreement, all third-party internet service programs and software designated by Franchisor ("Software"). In addition, throughout the term of this Agreement Master Franchise Owner shall be required to use, and as designated by Franchisor, acquire such internet or software programs as Franchisor may require in the operation of a Mint Condition Master Franchise Business. Some required software may be proprietary to Franchisor. Master Franchise Owner agrees that it acquires no title or ownership in the Software except a licensed right of use subject to the terms of third-party licensors, and that any proprietary program or internet service shall be owned by Franchisor or such third-party that has an interest in the program. Master Franchise Owner shall receive only the nonexclusive license to use the Software in the operation of the Master Franchise Business, subject to the terms and conditions of this Agreement, including all of the following terms and conditions:
2. Master Franchise Owner will use the Software solely with computer hardware systems and other software programs specified from time to time in the Master Franchise Manual, and solely at the Approved Location, or other Locations approved by Franchisor.
3. Master Franchise Owner will make no copies of the Software. Master Franchise Owner will not create by recompilation or otherwise, the source code programs or any parts thereof from the object code program or from other information made available under this Agreement. Master Franchise Owner will not make the Software available to any person or entity, other than to its employees who require access to the Software in order to perform their normal employment duties for Master Franchise Owner.
4. Master Franchise Owner will make no changes or modifications to the Software, except with the prior written consent of Franchisor, which consent may be granted or withheld for any reason, or for no reason, at the sole and exclusive discretion of Franchisor.

5. Franchisor may periodically require Master Franchise Owner to utilize revised, updated, or enhanced proprietary computer software, user's manuals, or internet services, as the same may be developed or acquired by Franchisor. Any new software and user's manuals will be deemed to be part of the Software. Any program or internet service designated by Franchisor may be at Master Franchise Owner's cost. Unless such revised, updated or enhanced Software requires Master Franchise Owner to upgrade its computer hardware system, Master Franchise Owner will install or acquire the new Software within five (5) business days after receiving it. If the enhanced Software requires Master Franchise Owner to upgrade its computer hardware, Master Franchise Owner shall do so, at its own expense, and install or acquire the new Software within thirty (30) days after receiving it. Immediately after completing such installation or acquisition, Master Franchise Owner will return to Franchisor all copies of all prior editions of the Software.

E. Software's Limitation on Warranty

1. To the extent Franchisor provides any of the Software or provides access to Software to Master Franchise Owner, the Software will be provided to Master Franchise Owner "As Is" without warranty of any kind, either express or implied, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose, except only with respect to any warranties provided directly by a third party licensor to Master Franchise Owner.
2. Franchisor does not warrant that the functions contained in the Software will meet Master Franchise Owner's requirements or that the operation of the Software will be uninterrupted or error free.

F. Advertising

1. Materials

Franchisor will prepare and provide to Master Franchise Owner formats for advertising and promotional materials for use both in marketing for Janitorial Franchise Agreements within the Territory and in attracting prospective customers for commercial janitorial services. Master Franchise Owner must submit to Franchisor, at least thirty (30) days in advance, for Franchisor's prior written approval, samples of all advertising and promotional plans and materials that

Master Franchise Owner desires to use and that have not been prepared or previously approved by Franchisor.

2. **National Advertising Fund**

Franchisor does not require Master Franchise Owner to participate in a National Advertising Fund at time of the execution of this Agreement. However, Franchisor reserves the right to create a National Advertising Fund by notifying the Master Franchise Owner with thirty (30) days prior written notice. The details of the National Fund, if created by Franchisor, will be set forth in the Master Franchise Manual and sent to Master Franchise Owner at that time, and will not exceed two percent (2%) of the Master Franchise Owner's Gross Monthly Revenues.

G. **Supplies**

1. **Initial Supplies**

Before Master Franchise Owner begins business, Franchisor will provide Master Franchise Owner with the following package of initial office and business supplies:

<u>Quantity</u>	<u>Description</u>
250	Janitorial Franchise Brochures
1	Set of Training and Cleaning Videos
1	Master Set of Office Forms (computer)
1	Shell to Web Site

2. **Additional Supplies**

Franchisor may make certain additional supplies of brochures, videos and/or forms available from time to time for purchase by Master Franchise Owner at Franchisor's cost plus a reasonable mark-up of such costs. Franchisor is not obligated to provide such additional supplies, and Master Franchise Owner will not be obligated to purchase them.

3. **Suppliers**

Franchisor will assist Master Franchise Owner in compiling a list of names and addresses of suppliers of goods and services who meet Franchisor's standards and specifications. In assisting Master Franchise Owner in this manner, Franchisor expressly disclaims any warranties or representations as to the condition of the goods or services sold by such suppliers, including, without limitation, expressed or implied warranties as to merchantability or fitness for any intended purpose. Master Franchise Owner agrees to look solely to the manufacturer of goods or the supplier of services for the remedy for any defect in the goods or services.

4. **Employee Recruitment**

Franchisor will advise Master Franchise Owner in regard to recruitment and selection of initial employees.

5. **Continuing Assistance**

In addition to the assistance rendered to the Master Franchise Owner prior to opening, Franchisor will provide continuing consultation and advice regarding the Franchised Business. Such consultation and advice may include, but not be limited to operational, sales and marketing matters, type of products and services offered and operation of the Mint Condition Master Franchise Business. Franchisor will provide such assistance by telephone, or if the situation warrants, through on-site assistance of appropriate Franchisor personnel.

VI. **PAYMENTS BY MASTER FRANCHISE OWNER**

A. **Initial Master Franchise Fee**

1. **Amount**

Master Franchise Owner shall pay Franchisor an Initial Master Franchise Fee (the "Initial Fee") in the amount set forth in Attachment A to this Agreement. At the time Franchisor executes this Agreement, Master Franchise Owner must pay the Initial Fee in full in immediately available funds.

B. Franchise Sales of Individual Janitorial Franchise Agreements

Master Franchise Owner agrees to pay to Franchisor a Royalty Fee calculated at the time of each sale of a Janitorial Franchised Business in the amount of eight percent of the total cash payment of the franchise sale of each unit to a Janitorial Franchise Owner including Initial Franchise Fees as well as deferred down payments and upgrades through the Business Procurement Fee. If any part of the Franchise Fee to be paid by a Janitorial Franchise Owner is financed, a Royalty Fee in the amount of eight percent (8%) shall be due to Franchisor on the total monthly note payments, including any interest charged on the financing thereof. In addition, Master Franchise Owner agrees to pay to Franchisor a Royalty Fee in the amount of eight percent for any Renewal Fees and Transfer Fees paid by it Janitorial Franchise Owners. The royalty payable on any franchise sold shall be paid to Franchisor by the twentieth (20th) day of the following month from the date the Janitorial Franchise Agreement is signed.

C. Percent of Gross Revenues

In addition, Master Franchise Owner shall pay to Franchisor, commencing on the fourth (4th) month after this Master Franchise Agreement is executed, a Royalty Fee equal to the greater of four percent (4%) of the Gross Revenues, as defined below, collected by Master Franchise Owner and the Minimum Royalty Fee described below.

The Royalty Fee payable for all Gross Revenues collected by Master Franchise Owner, as defined in this Agreement, shall be paid to Franchisor by the twentieth (20th) day of the following month. The Manual may contain additional policies and requirements regarding the method or form of payment.

The minimum Royalty Fee for the term of this Agreement is as follows:

<u>Months</u>	<u>Standard Territory Minimum Monthly Fee</u>	<u>Small Territory Minimum Monthly Fee</u>
1-3	\$0	\$0
4-12	\$250	\$250
13-24	\$500	\$500
25-36	\$1,000	\$750
37-48	\$1,500	\$1,000
49-60	\$2,000	\$1,250
61-72	\$2,500	\$1,500
73-240	\$3,000	\$2,000

This Royalty Fee shall be paid by the twentieth (20th) day of each month for revenues collected in the previous month.

D. Definition of Gross Revenues

The term "Gross Revenues" as may be defined further in the Manual, means all income for any cleaning or maintenance services, whether for contract services, sales of supplies, equipment or other goods; initial cleans; one-time cleaning services; extra work performed; and any other revenue related to, connected with or derived from the provision of any janitorial, cleaning and maintenance services, including commercial, industrial, institutional and services, whether such services are provided by Master Franchise Owner or its Janitorial Franchise Owners.

E. Reports

Master Franchise Owner will submit to Franchisor with each Royalty payment a monthly statement of Gross Revenues and other data in the form specified in the Master's Franchise Manual.

F. Marketing for Janitorial Franchise Owners

- 1. Master Franchise Owner shall create a marketing plan in order to recruit qualified Janitorial Franchise Owners. Master Franchise Owner shall place advertising in any media it desires, provided that such advertising conforms to the standards and requirements of the Company as set forth in the Company's Manual, or otherwise designated by Franchisor. Master Franchise Owner agrees to submit such marketing plan to the Company at least once every twelve (12) months during the term of this Agreement.**
- 2. Master Franchise Owner may not advertise his or her Master Franchise Business in connection with any other business, except with the Company's prior written approval. Master Franchise Owner shall obtain the Company's prior approval of all advertising and promotional plans and materials relating to the recruitment of qualified Janitorial Franchise Owners that Master Franchise Owner desires to use at least thirty (30) days before the start of any such plans unless such plans and materials have been previously approved by the Company. Master Franchise Owner shall submit such plans and materials to the Company by personal delivery or through the mail, "Return Receipt Requested." Master Franchise Owner shall not use such plans or materials until they have been approved by the Company in writing and shall promptly discontinue use of any advertising or promotional plans and materials upon the request of the Company. Any plans or materials submitted by Master Franchise Owner to the Company that have not been approved or disapproved in writing,**

within thirty (30) days of receipt thereof by the Company, shall be deemed disapproved.

3. Master Franchise Owner hereby agrees to market for new Janitorial Franchise Owners for locations in its Territory. All such marketing materials and plans shall be submitted to the Company, at least thirty (30) days in advance and shall require Franchisor's prior written approval prior to its implementation. See the Manual for details.
4. Master Franchise Owner further agrees to spend, as a minimum, the following sums of money for marketing for new Janitorial Franchise Owners in its Territory:

<u>Months in Business</u>	<u>Minimum Monies to be Spent</u>
1-24	\$1,000
25-48	\$1,250
49-72	\$1,500
73-96	\$1,750
97-240	\$2,000

5. Master Franchise Owner agrees to send to the Franchisor, at the beginning of each calendar month, evidence that it has spent the minimum amount of monies noted above for the marketing of new Janitorial Franchise Owners.

G. Marketing for New Cleaning Accounts

1. Master Franchise Owner shall create a marketing plan in order to recruit qualified prospective customers for new cleaning accounts in the Master Franchise Owner's Territory. Master Franchise Owner shall implement such marketing plan in any media it desires, provided that such marketing conforms to the standards and requirements of the Company as set forth in the Company's Manual, or otherwise designated by Franchisor. Master Franchise Owner agrees to submit such marketing plan to the Company at least once every twelve (12) months during the term of this Agreement.
2. Master Franchise Owner may not advertise his or her Master Franchise Business in connection with any other business, except with the Company's prior written approval. Master Franchise Owner shall obtain the Company's prior approval of all advertising and

promotional plans and materials relating to the marketing for new cleaning accounts that Master Franchise Owner desires to use at least thirty (30) days before the start of any such plans unless such plans and materials have been previously approved by the Company. Master Franchise Owner shall submit such plans and materials to the Company by personal delivery or through the mail, "Return Receipt Requested." Master Franchise Owner shall not use such plans or materials until they have been approved by the Company in writing and shall promptly discontinue use of any advertising or promotional plans and materials upon the request of the Company. Any plans or materials submitted by Master Franchise Owner to the Company that have not been approved or disapproved in writing, within thirty (30) days of receipt thereof by the Company, shall be deemed disapproved.

3. Master Franchise Owner hereby agrees to market for new cleaning accounts for locations in its Territory. All such marketing shall be pre-approved by Franchisor prior to its implementation. See the Manual for details.
4. Master Franchise Owner further agrees to spend, as a minimum, the following sums of money for marketing for new cleaning accounts in its Territory including, without limitation, a telemarketing program per the Franchisor's training and procedures as set forth in the Manual:

<u>Months in Business</u>	<u>Minimum Monies to be Spent</u>
1-24	\$1,000
25-48	\$1,250
49-72	\$1,500
73-96	\$1,750
97-240	\$2,000

5. Master Franchise Owner agrees to send to the Franchisor, at the beginning of each calendar quarter, evidence that it has spent the minimum amount of monies noted above for the marketing of new cleaning accounts.
6. Master Franchise Owner agrees that the monies to be spent on marketing for new cleaning accounts, as noted above, will include, but not be limited to, the following: telemarketing, direct mail, media

advertising (e.g. television, radio, magazines, newspapers) and promotional materials. See the Manual for details.

H. Audits

Franchisor will have the right during normal working hours to audit the books and records of Master Franchise Owner, as set-forth in the Manual, including Master Franchise Owner's computer records and tax returns, with respect to the Master Franchise Business. If an audit discloses an underpayment of Royalty Fees or National Advertising Fund contributions, Master Franchise Owner will immediately pay these amounts to Franchisor together with accrued interest on the amount underpaid in accordance with the Agreement. In addition, if the underpayment exceeds five percent (5%), of the total amount payable for any period covered under the audit, Master Franchise Owner will reimburse Franchisor for all out-of-pocket expenses actually incurred by Franchisor in connection with the audit.

I. Training and Continuing Education

Franchisor will not charge a fee for the initial training program. However, if a replacement Manager is employed, Franchisor will charge a training fee for that person's training at \$150 to \$300 per day per person plus all out-of-pocket expenses. See the Manual for details.

J. Transfer Fee

As a condition of Transfer of the Master Franchise Business, Master Franchise Owner must pay to the Company a Transfer Fee of ten percent (10%) of the then current Initial Master Franchise Agreement of the Franchisor, or the amount of Ten Thousand Dollars (\$10,000), whichever is greater.

K. Interest on Late Payments

All Royalty Fee payments, local advertising expenditures, amounts due for purchases by Master Franchise Owner from the Company and/or its affiliated companies, and other amounts which Master Franchise Owner owes to the Company and/or its affiliated companies, not received on or before the due date shall be deemed overdue. If any payment or contribution is overdue, Master Franchise Owner shall pay to the Company immediately upon demand the overdue amount, a late fee of \$100.00 per incident, plus interest on the overdue amount from the date it was due until paid, at the rate of one and one half percent (1½%) per month, or the maximum rate permitted by law, whichever is higher. The foregoing shall be in addition to any other remedies the Company may possess, as permitted by law.

Master Franchise Owner acknowledges that this paragraph shall not constitute agreement by the Company to accept such payments after same are due or a commitment by the Company to extend credit to, or otherwise finance Master

Franchise Owner's operation of the Master Franchise Business. Further, Master Franchise Owner acknowledges that his or her failure to pay all amounts when due shall constitute grounds for termination of this Agreement, as provided herein.

VII. OBLIGATIONS OF MASTER FRANCHISE OWNER

A. Contracts with Janitorial Franchise Owner

1. Selection

Master Franchise Owner must diligently investigate the qualifications of each prospective Janitorial Franchise Owner in accordance with Franchisor's standards, policies and procedures relating to qualification of Janitorial Franchise Owners then in effect, and use its good faith best efforts to grant Janitorial Franchise Agreements only to those who are qualified and capable. See the Manual for details.

2. Contract Requirements

- a. Each Janitorial Franchised Business opened by a Janitorial Franchise Owner pursuant to this Agreement must be the subject of a separate Janitorial Franchise Agreement between Master Franchise Owner and the Janitorial Franchise Owner in a form substantially similar to Franchisor's then current form of Janitorial Franchise Agreement, a copy of which is in the Master Franchise Manual.
- b. Master Franchise Owner shall modify the form of Janitorial Franchise Agreement from the Master Franchise Manual to reflect the terms of this Agreement and the terms upon which Master Franchise Owner wishes to contract with its Janitorial Franchise Owner. The form of Janitorial Franchise Agreement to be used by Master Franchise Owner is subject to Franchisor's prior written approval, and Master Franchise Owner will have no right thereafter to modify or offer to modify the Janitorial Franchise Agreement without Franchisor's prior written approval.
- c. Master Franchise Owner shall revise its form of Janitorial Franchise Agreement from time to time as reasonably necessary to conform to the standard form of Janitorial Franchise Agreement then used by Franchisor.
- d. Master Franchise Owner acknowledges that, for the protection of the System, Franchisor must always have certain reserved rights

under all Janitorial Franchise Agreements. Master Franchise Owner therefore agrees to insert provisions in each Janitorial Franchise Agreement as may be required by Franchisor. Such provisions may include, without limitation, those provisions permitting Franchisor as a third party beneficiary to enforce directly all rights with respect to the Janitorial Operations Manual, proprietary and trade secret information, covenants against competition and non-solicitation, use of the Trade Name and Proprietary Marks, and System standards and all other terms and conditions that the Franchisor deems necessary, in its sole discretion.

3. Notification of Breach or Termination

Master Franchise Owner must deliver to Franchisor within a timely and reasonable manner a copy of any correspondence with Janitorial Franchise Owner that asserts a breach or termination of a Janitorial Franchise Agreement and all other correspondence with any Janitorial Franchise Owner that is material to any franchise relationship as soon as it is sent or received by Master Franchise Owner.

4. Termination Conditions

- a. Master Franchise Owner may not terminate any Janitorial Franchise Agreement with any Janitorial Franchise Owner without the prior consent of Franchisor. Master Franchise Owner must, upon the request of Franchisor, terminate any Janitorial Franchise Agreement when Master Franchise Owner is entitled to do so under the terms of the Janitorial Franchise Agreement.
- b. If the Janitorial Franchise Owner terminates its Agreement with the Master Franchise Owner, then the Master Franchise Owner must immediately send to the Franchisor written notification of such termination.

B. Development Schedule

1. Opening

Master Franchise Owner must open its office and commence business within three (3) months after the Effective Date.

2. Minimum Requirements

Master Franchise Owner shall pay to the Franchisor the minimum amount of Royalties as set forth in Attachment A to this Agreement.

C. Services to Janitorial Franchise Owners

Master Franchise Owner will provide to the Janitorial Franchise Owners in its Territory the same types of services Franchisor is obligated to provide under its Janitorial Franchise Agreements. Master Franchise Owner will faithfully perform all the services to Janitorial Franchise Owners within the Territory as provided in said Janitorial Franchise Agreements.

D. Use of Proprietary Marks

1. Franchisor's Ownership of Proprietary Marks

Master Franchise Owner acknowledges and agrees that Franchisor is the owner of the Proprietary Marks and any trade-dress (as defined in the Manual) associated with the Proprietary Marks or the Master Franchise Business, and Master Franchise Owner's right to use the Proprietary Marks and the related trade-dress is derived solely from this Agreement and is limited to the conduct of the business by Master Franchise Owner pursuant to and in compliance with this Agreement and all applicable standards, specifications, and operating procedures prescribed by Franchisor from time to time during the term of this Agreement. Any unauthorized use of the Proprietary Marks by Master Franchise Owner is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Proprietary Marks. Master Franchise Owner acknowledges and agrees that all usage of the Proprietary Marks by Master Franchise Owner and any goodwill established by Master Franchise Owner's use of the Proprietary Marks shall inure to the exclusive benefit of Franchisor and that this Agreement does not confer any goodwill or other interests in or to the Proprietary Marks upon Master Franchise Owner. Master Franchise Owner shall not, at any time during the term of this Agreement, or after its termination or expiration, contest the validity or ownership of any of the Proprietary Marks or assist another person in contesting the validity or ownership of any of the Proprietary Marks. All provisions of this Agreement applicable to the Proprietary Marks apply to any additional trademarks, service marks, and commercial symbols authorized for use by and licensed to Master Franchise Owner by Franchisor after the date of this Agreement.

2. Master Franchise Owner's Use of Proprietary Marks

Master Franchise Owner shall not use “Mint Condition” or any Proprietary Mark as part of any corporate or trade name, or with any prefix, suffix, or other modifying words, terms, designs, or symbols, or in any modified form, nor may Master Franchise Owner use any Proprietary Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Master Franchise Owner agrees to give such notices of trademark and service mark registrations as Franchisor specifies and to obtain such fictitious or assumed name registrations as may be required under applicable laws, or as requested by Franchisor. Master Franchise Owner shall not use any of the Proprietary Marks in any manner that has not been specified or approved by Franchisor prior thereto.

3. Unauthorized Use of Proprietary Marks

Master Franchise Owner shall immediately notify Franchisor in writing of any apparent infringement of or challenge to Master Franchise Owner’s use of the Proprietary Marks, which it becomes aware of, and of any claim by any person of any right in the Proprietary Marks or any similar trade name, trademark, or service mark of which Master Franchise Owner becomes aware. Master Franchise Owner shall not directly or indirectly communicate with any person other than Franchisor and its counsel in connection with any such infringement, challenge, or claim. Franchisor shall have sole discretion to take such action as it deems appropriate and shall have the right to exclusive control of any litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding arising out of such infringement, challenge or claim or otherwise relating to the Proprietary Marks. Master Franchise Owner agrees to execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Franchisor’s counsel, be necessary or advisable to protect and maintain the interests of Franchisor in any such litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding or to otherwise protect and maintain the interests of Franchisor in the Proprietary Marks.

4. Franchisor’s Right to Modify

If it becomes advisable at any time in Franchisor’s sole discretion, for Franchisor and/or Master Franchise Owner to modify or discontinue use of the Proprietary Marks, and/or use one or more additional or substitute trade names, trademarks, service marks, or other commercial symbols, Master Franchise Owner agrees to comply with Franchisor’s directions within a reasonable time after notice to Master Franchise Owner by Franchisor, and Franchisor shall have no

liability or obligation whatsoever with respect to Master Franchise Owner's modification or discontinuance of the Proprietary Marks. Master Franchise Owner agrees that any costs for modifying or changing the Proprietary Marks will be borne by Master Franchise Owner and such modification or change of Proprietary Marks will be completed by Master Franchise Owner within a reasonable period of time after notification by Franchisor.

5. Franchisor's Right to Inspect Master Franchise Owner's Business Operations

In order to preserve the validity and integrity of the Proprietary Marks and copyrighted materials licensed herein, and to assure that Master Franchise Owner is properly employing the same in the operation of its Mint Condition Master Franchise Business, Franchisor or its agents shall have the right of entry and inspection of Master Franchise Owner's business premises at all reasonable times and, additionally, shall have the right to observe the manner in which Master Franchise Owner is rendering its products and services and conducting its operations. Franchisor or its agents shall have the right to confer with Master Franchise Owner's employees and customers, and to inspect equipment and related merchandise, trademarked product lines, if applicable, other merchandise, equipment, supplies or inventory for test of content and evaluation purposes to make certain that the equipment and related merchandise, trademarked product lines, and other merchandise, equipment, supplies, inventory, services and operations are satisfactory and meet the quality control provisions and performance standards established by Franchisor from time to time.

E. Office

1. Location

Master Franchise Owner must, at its own expense, locate, obtain and occupy an office site for the Master Franchise Business. Master Franchise Owner and the lessor of the premises must execute an Agreement for Assignment of Office Lease substantially in the form of Attachment D to this Agreement, granting Franchisor an option to be assigned the lease in the event of any default under the lease or the Termination of this Agreement. Franchisor's prior approval of the proposed site must be obtained in writing. Franchisor will not withhold its approval unreasonably. To seek Franchisor's approval, Master Franchise Owner must advise Franchisor, in writing, of the street address of the proposed site. By approving a particular site, Franchisor does not warrant that the Master Franchise Business operating at that location will be successful. Franchisor generally

requires the site to be located in a professional office building, near major highways, conveniently accessible to the entire Territory, and between 150 to 350 square feet with a floor plan suitable for the Master Franchise Business. Master Franchise Owner may relocate the Master Franchise Business or establish additional offices within the Territory only with Franchisor's prior written consent.

2. Office Improvements

The layout, tenant improvements, furnishings, equipment and décor for Master Franchise Owner's office (the "Office Improvements") are all subject to Franchisor's prior written approval, which shall not be unreasonably delayed or withheld, and as set forth in the Manual. Master Franchise Owner shall maintain all its Office Improvements in good, clean and safe repair, condition and appearance, and maintain, repair and replace the Office Improvements as necessary to maintain a first class professional working environment and professional image. Master Franchise Owner shall obtain Franchisor's approval before installing, constructing or making any significant repairs, replacements or changes to the Office Improvements.

F. Quality Control

1. Opening

Master Franchise Owner may not commence the Master Franchise Business until Franchisor certifies in writing that, in the view of Franchisor's management, Master Franchise Owner and Master Franchise Owner's employees are prepared to conduct the Master Franchise Business. By certifying that Franchisor's management staff is prepared to open, Franchisor does not warrant that the Master Franchise Business will be successful. Master Franchise Owner must follow the details for openings its Master Franchise Business as set forth in the Master Franchise Manual.

2. Master Franchise Operations Manual

Franchisor shall loan to Master Franchise Owner one copy of the Master Franchise Manual, containing mandatory and suggested specifications, standards and operating procedures prescribed from time to time by Franchisor, and information relative to other obligations of a Master Franchise Owner, and to the operation of a Mint Condition Master Franchise Business. The Master Franchise Manual will remain confidential and the property of Franchisor, constitutes a Trade Secret of Franchisor, and may not be loaned out, duplicated, or copied in whole or in part in any manner. Franchisor

will have the right to add to and otherwise modify the Master Franchise Manual from time to time, as it deems necessary, provided that no such addition or modification will alter the Master Franchise Owner's fundamental status and rights under this Agreement. The Master Franchise Owner must always follow the directives of the Master Franchise Manual, as may be modified by Franchisor from time to time. Master Franchise Owner acknowledges that such compliance by Master Franchise Owner is necessary to protect the integrity and reputation of the System.

3. Services and Products Offered

Master Franchise Owner will offer, provide and sell all the services and only the services that Franchisor has authorized. Master Franchise Owner will use only the types of products that Franchisor has authorized it to use. Master Franchise Owner will monitor its Janitorial Franchise Owners to ensure they offer services and use products that conform to Franchisor's standards and specifications. Master Franchise Owner may purchase products that are to be sold or used in the Master Franchise Business from any source, as long as the supplier meets the standards established by Franchisor and that the products meet the specifications set out in the current versions of the Master Franchise Manuals. If Master Franchise Owner and/or its Janitorial Franchise Owner wish to use any product not previously certified by Franchisor to meet Franchisor's specifications or which is sold by a supplier not previously approved by Franchisor, Master Franchise Owner will advise Franchisor of this fact and, upon Franchisor's request, will give Franchisor product specifications, sample products, and/or information about the supplier. Franchisor will promptly communicate to Master Franchise Owner either its approval or its reasons for withholding its approval. Silence may not be construed as consent. Franchisor may withdraw its approval of a supplier or product if either or both no longer meet Franchisor's standards or specifications.

4. Inspections

Franchisor may conduct periodic quality control inspections of the Master Franchise Business and of Janitorial Franchise Owner's work sites during normal business hours. Franchisor has the right, but not the duty, to communicate directly with Master Franchise Owner's Janitorial Franchise Owner about any matter concerning their Janitorial Franchise Agreements. Quality control inspections may be made with or without prior notice. Master Franchise Owner will promptly correct or require Janitorial Franchise Owner to correct any deficiencies of which it is advised by Franchisor. If Master Franchise Owner does not take immediate, effective steps to bring its operation

up to Franchisor's standards, its failure to do so will constitute a material breach of this Agreement.

5. Notification of Complaints

Master Franchise Owner will notify Franchisor promptly if Master Franchise Owner is served with a complaint in any legal proceeding that is in any way related to the Master Franchise Business, or if Master Franchise Owner becomes aware that it is the subject of any complaint to or investigation by a governmental licensing authority or consumer protection agency.

G. Personnel

1. Management

Master Franchise Owner must devote all his productive time and effort to the management and operation of the Master Franchise Business. If Franchisor, in its sole discretion, determines that its Manager is not properly performing his duties, Franchisor will advise Master Franchise Owner and Master Franchise Owner must immediately take steps to correct the situation. The Master Franchise Business must at all times be managed by someone who has successfully completed the training program offered by Franchisor, or by the Master Franchise Owner or its representative.

2. Temporary Management by Franchisor

If the Master Franchise Owner is unable to successfully manage the Master Franchise Business, or if no one who has successfully completed the initial training program conducted by Franchisor is available to manage the Master Franchise Business on behalf of the Master Franchise Owner, then the Franchisor may, at its option, provide a Temporary Manager who shall have the right to manage the Master Franchise Business. Any such Temporary Manager provided by Franchisor shall remain an employee or an independent contractor of Franchisor. Master Franchise Owner shall pay Franchisor Five Hundred Dollars (\$500) per day plus all out-of-pocket expenses, including without limitation, all reasonable costs of transportation, commuting and housing, for the Temporary Manager's services. Master Franchise Owner shall retain the profits, and remain solely and fully liable for all expenses, and any losses, incurred during the period the Master Franchise Business is operated by the Temporary Manager.

3. Employees

Master Franchise Owner must maintain at all times a staff of trained employees sufficient to operate the Master Franchise Business in compliance with Franchisor's standards.

H. Operation of Janitorial Cleaning Business

Master Franchise Owner shall, at all times after completing initial training and commencing the Master Franchise Business, be prepared and able to service Janitorial Customers in the Territory on at least an interim basis when the need arises until such Janitorial Customers can be assigned to a Janitorial Franchise Owner.

I. Financial Information

Master Franchise Owner will submit to Franchisor, on or before the twentieth (20th) day of each month, financial reports on the income and expenses of the Master Franchise Business in the format and manner specified in the Master Franchise Owner's Manual. Franchisor requires Master Franchise Owner to purchase or lease computer and/or communications equipment and software that meet specifications set out in the Master Franchise Owner's Manual to facilitate the creation of standardized financial records and their conveyance to Franchisor through on-line electronic communication or other means. Master Franchise Owner will also submit to Franchisor, at the time of filing, copies of all federal, state and local income, sales and property tax returns. Master Franchise Owner will also submit to Franchisor audited financial statements to Franchisor no later than April 30 of each year for the preceding fiscal year, and unaudited financial statements no later than February 15th of each year for the preceding fiscal year. Franchisor will use this data to confirm that Master Franchise Owner is complying with its obligations under this Agreement and to formulate earnings and expense information to disclose to prospective Master Franchise Owners.

J. Insurance

1. Overall Insurance Coverage Required

Master Franchise Owner must procure, prior to opening the Mint Condition Master Franchise Business, and shall maintain in full force and effect during the term of this Agreement, at Master Franchise Owner's expense, an insurance policy or policies protecting Master Franchise Owner, Franchisor, and its designated affiliates, directors, agents and employees against any loss, liability, personal injury, death, property damage, or expense whatsoever arising from or occurring upon or in connection with operating the Mint Condition Master Franchise Business. Franchisor and its designated affiliates

must be named as an additional insured on all such policies. Master Franchise Owner may meet some of the insurance requirements set forth in this Agreement and the Manual by participating in the Franchisor's Insurance Plan, as noted in this Agreement. Master Franchise Owner must secure on his own all other insurance requirements of Franchisor, as set forth in this Agreement.

2. **Qualified Insurance Carrier**

All insurance policies required under this Agreement shall be written by an insurance company satisfactory to Franchisor, naming Franchisor and its designated affiliates as "additional insured" parties in accordance with standards and specifications set forth in the Manual, this Agreement or otherwise specified by the Franchisor in writing, and shall include, at a minimum (except as additional coverage and higher policy limits may reasonably be specified from time to time by Franchisor), the limits set forth in the Manual for the following categories of required insurance:

- a. Comprehensive general liability insurance including, but not limited to, product liability coverage, personal injury coverage;
- b. Motor Vehicle Liability for owned, hired, and non-owned automobiles;
- c. Property damage liability insurance covering at a minimum the perils of fire and extended coverage and vandalism;
- d. Workers' Compensation insurance as prescribed by state law;
- e. An Umbrella Policy; and
- f. Such other insurance that may be required by Franchisor and/or the statutes or other laws of the state or any local governmental entity in which the Master Franchise Owner's Master Franchise Business is located and/or operated.

3. **No Limitations on Coverage**

Master Franchise Owner's obligations to obtain and maintain the foregoing insurance policies in the policy limits set forth in the Manual shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, or by the Insurance Plan, nor shall Master Franchise Owner's performance of this obligation relieve it of liability under the indemnity provisions set forth in this Agreement. Master Franchise Owner may maintain such additional insurance as it may consider advisable.

4. **Evidence of Coverage**

Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, Master Franchise Owner must promptly submit evidence of satisfactory insurance and proof of payment thereof to Franchisor, together with, upon request, copies of all policies and policy amendments and endorsements. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without giving at least thirty (30) days' prior written notice to Franchisor.

5. **Franchisor May Procure Insurance Coverage**

Should Master Franchise Owner, for any reason, fail to procure or maintain the insurance required by this Agreement, as described from time to time by the Manual or otherwise in writing, a breach of this Agreement shall result. Franchisor shall then have the right and authority (but no obligation) to procure such insurance and to charge same to Master Franchise Owner, which charges, together with a reasonable fee for Franchisor expenses in so acting, shall be payable by Master Franchise Owner immediately upon notice from Franchisor or may be offset by Franchisor from funds otherwise due to Master Franchise Owner.

6. **Certificate of Insurance**

Master Franchise Owner must submit to Franchisor, at least annually, and otherwise upon request by Franchisor, a copy of the certificate of renewal or other evidence of the renewal, existence or extension of such insurance policies.

K. **Financial and Legal Responsibility**

1. **Compliance with Law**

Master Franchise Owner must comply with all federal, state and local laws and regulations pertaining, directly or indirectly, to the Master Franchise Business. Master Franchise Owner must keep current all licenses, permits, bonds and deposits made to or required by any government agency in connection with the operation of the Master Franchise Business.

2. **Payment Obligations**

Master Franchise Owner must pay promptly when due all taxes and obligations that it incurs in the conduct of its business.

L. Access to Master Franchise Owner's Information

At all times Master Franchise Owner shall use Franchisor's designated software and internet systems and shall give access through such programs and systems to Franchisor. The access to Franchisor shall be maintained at all times and shall include information relating to Master Franchise Owner's janitorial contracts and clients, accounting, sales, bidding and estimating. The information for which Master Franchisor Owner must maintain access to Franchisor shall be supplied through such software and systems as Franchisor may designate; and both the information supplied and the methods of access (including software and internet) designated by Franchisor may change from time to time as Franchisor may designate at the expense of Master Franchise Owner.

VIII. FRANCHISE LAWS

A. Disclosure and Registration Laws

Master Franchise Owner has been advised that many states require that a Franchise Disclosure Document containing information about both Franchisor and Master Franchise Owner must be registered with state authorities before any franchise is offered to any person or entity, and that the Federal Trade Commission and certain states impose certain disclosure requirements with respect to the offer and sale of franchises. Master Franchise Owner must comply in all respects with all federal and state franchising and applicable business opportunity laws of all states in the Territory.

B. Preparation of Franchise Disclosure Document

Franchisor shall prepare a prototype form of Franchise Disclosure Document for use by Master Franchise Owners generally, containing required information about Franchisor and the System, with blank Paragraphs for the insertion of all required information about Master Franchise Owner. Master Franchise Owner must provide the form of Janitorial Franchise Agreement as adapted by Master Franchise Owner and as approved by Franchisor, together with all required information regarding the financial, litigation, bankruptcy and employment history of Master Franchise Owner, its employees and sales agents, and if applicable, the officers, directors and/or partners of Master Franchise Owner, for purposes of fully complying with franchising and business opportunity disclosure and registration laws, and franchise sales agent registrations. Master Franchise Owner shall, at its sole expense, obtain audited financial statements for Master Franchise Owner, prepare all of the inserts relating to Master Franchise Owner, the terms of the Janitorial Franchise Agreement, and the final Franchise Disclosure Document, all of which (except for the financial terms of the Janitorial Franchise Agreement) shall be subject to the prior written approval of Franchisor before being filed or used in any way.

C. Registration

If any state in the Territory requires registration of the Franchise Disclosure Document prior to any offer of a franchise, or any other registration, filing or legal or regulatory compliance, Master Franchise Owner shall, at its sole expense, so register, file or otherwise comply; provided, however, that any application for registration shall be subject to the prior written approval of Franchisor before being filed.

D. Timing

Master Franchise Owner and Franchisor shall cooperate and jointly use their best efforts to have a current Franchise Disclosure Document which is in compliance with all applicable laws, and registered if required, for use by Master Franchise Owner in all jurisdictions and at all times Master Franchise Owner is authorized to offer Janitorial Franchise Agreements under this Agreement. Nothing in this Agreement, however, shall require Franchisor to guarantee any obligation of Master Franchise Owner, post any bond or surety, or agree to the subordination, escrow or delay in payment of any fees payable by Master Franchise Owner to Franchisor. Furthermore, Master Franchise Owner acknowledges that because of the scope and complexity of the business and financial affairs of Franchisor and its Affiliates, it may not always be possible for Franchisor to obtain its audited financial statements within the time periods required by law for updating Franchise Disclosure Documents. Should that happen, Master Franchise Owner agrees that it will stop all franchise sales activities until the updated Franchise Disclosure Document is available, and registered, if required. If any such interruption caused solely by Franchisor occurs, the development schedule and the time periods in which minimum royalties must be paid, as set forth in Attachment A to this Agreement, shall both automatically be extended by the period of any such delay.

E. Amendments

Each party shall be responsible, at its own expense, for preparing, and registering if applicable, any amendment required because of the party's changed circumstances. No amendment prepared by Master Franchise Owner shall be filed or used without the prior written approval of Franchisor.

F. Delivery

Master Franchise Owner shall be responsible for responding to inquiries regarding franchise opportunities in the Territory, delivering both the proper Franchise Disclosure Document and the completed agreements for execution to prospective Janitorial Franchise Owners at the times required by law, and obtaining receipts for the delivery of the Franchise Disclosure Documents and the completed agreements, all

in compliance with applicable franchise and/or business opportunity laws. Photocopies of all such receipts shall be promptly forwarded to Franchisor.

G. Representations

Master Franchise Owner shall not make any representations to any prospects about Janitorial Franchise Agreements or Franchisor, or otherwise, which are misleading, incomplete, fraudulent or untrue, or which are contradicted by the Franchise Disclosure Document or its exhibits. Master Franchise Owner shall cause all franchise sales efforts made by it or under its direction to be courteous, dignified and in keeping with a professional, ethical and responsible business.

IX. RELATIONSHIP OF PARTIES

A. Proprietary Marks

As noted in this Master Franchise Agreement, Master Franchise Owner acknowledges and agrees that Franchisor is the owner of the Proprietary Marks and any trade-dress associated with the Proprietary Marks or the Master Franchise Business, and Master Franchise Owner's right to use the Proprietary Marks and the related trade-dress is derived solely from this Agreement and is limited to the conduct of the business by Master Franchise Owner, pursuant to and in compliance with this Agreement and all applicable standards, specifications, and operating procedures prescribed by Franchisor from time to time during the term of this Agreement.

B. Fiduciary Relationship

It is understood and agreed by the parties hereto that this Agreement does not establish a fiduciary relationship between them, that the Master Franchise Owner shall be an independent owner, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venture, partner, employee, or servant of the other for any purpose whatsoever.

C. Master Franchise Owner is an Independent Owner

During the term of this Agreement, and any renewals or extensions hereof, Master Franchise Owner shall hold itself out to the public as an independent owner operating its business pursuant to a Master Franchise Agreement from Franchisor. Master Franchise Owner agrees to take such affirmative actions as may be necessary to do so, including, without limitation, exhibiting a public notice of that fact, the content and display of which Franchisor shall have the right to specify from time to time.

X. CONFIDENTIALITY OF PROPRIETARY INFORMATION

A. Definitions

For purposes of this Agreement, the following terms have the following meanings:

“Confidential Information” means valuable, proprietary and/or confidential business information or data including but not limited to “Trade Secrets” (as defined in this Paragraph below). “Confidential Information” also includes any items specifically designated as a Trade Secret in this Paragraph that are ultimately determined under applicable law not to constitute a “trade secret” but that otherwise meet the definition of Confidential Information. MASTER FRANCHISE OWNER ACKNOWLEDGES THAT THE TERMS OF THIS AGREEMENT AND THE MANUAL ARE CONFIDENTIAL INFORMATION.

“Trade Secrets” means information, including, but not limited to, confidential business information, technical or non-technical data, formulas, patterns, compilations, programs, marketing plans, business strategies, devices, methods, techniques, drawings, processes, financial data, equipment lists, financial plans, product plans, list of actual or potential customers or suppliers, that: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. To the extent that applicable law mandates a definition of “trade secret” inconsistent with the foregoing definition, then the foregoing definition shall be construed in such a manner as to be consistent with the mandated definition under applicable law.

B. Non-Disclosure Covenant

Master Franchise Owner acknowledges that he or she may be exposed to certain Confidential Information and Trade Secrets of Franchisor during the term of the Franchise Agreement, and that his, her or its unauthorized use or disclosure of such information or data could cause immediate and irreparable harm to Franchisor. Accordingly, except to the extent that it is necessary to use such information or data to perform his or her express obligations under this Agreement, Master Franchise Owner shall not (and shall take diligent measures to ensure that none of its employees or other personnel shall), without the express prior written consent of Franchisor, publish, disclose, transfer, release or divulge to any other person or entity, or use or modify for use, directly or indirectly in any way for any person or entity.

C. Master Franchise Owner's Employees Will Not Disclose Proprietary Information

The Master Franchise Owner may disclose the Proprietary Information only to such of its employees, agents and representatives as must have access to it in order to operate the Master Franchised Business. Master Franchise Owner shall obtain from each such employee, representative or agent, a non-disclosure agreement in the form required by Franchisor.

D. Franchisor's Patent Rights and Copyrights

Franchisor does not own rights in, or to, any patents that are material to the Franchise. However, Franchisor claims a copyright in the Manual and certain marketing, sales, and operations literature.

E. Ownership of Newly Developed Products and Services

Master Franchise Owner must fully and promptly disclose to Franchisor all ideas, names, customer accounts, concepts, methods and techniques relating to the development, operation or promotion of his or her Master Franchised Business, conceived or developed by him or her or by employees during the terms of this Agreement. Franchisor has the perpetual right to use and authorize other Mint Condition Master Franchise Businesses to use such ideas, names, concepts, methods and techniques and, if incorporated into Franchisor's system for the development, operation or promotion of the Mint Condition Franchised System, such ideas, names, concepts, methods and techniques become the sole and exclusive property of Franchisor without any consideration to Master Franchise Owner, in as much as they are derivative ideas or products of Franchisor's Proprietary Information.

XI. COVENANTS

A. Master Franchise Owner Receives Confidential Information

Master Franchise Owner specifically acknowledges that pursuant to this Agreement, Master Franchise Owner will receive valuable training and confidential information, including, without limitation, Confidential Information, Trade Secrets, information regarding promotional, operational, sales, and marketing methods and techniques of Franchisor and the System.

B. No Diversion of Business

During the term of this Agreement and for a period of two (2) years following the expiration or termination of this Agreement, Master Franchise Owner covenants that it will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, or legal entity:

1. Divert or attempt to divert any business or customers of the Master Franchise Owner's Business with which or with whom Master Franchise Owner has had contact during the term of this Agreement to any competitor of Franchisor by direct or indirect inducement or otherwise;
2. Do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System or both; or
3. Induce, directly or indirectly, any person who is at that time employed by Franchisor or by any other Master Franchise Owner of Franchisor, to leave his or her employment thereat.

The provisions of this Paragraph shall apply only in the geographic area encompassing the Exclusive Territory and/or lying within a ten-mile radius of the Master Franchise Owner's Master Franchise Business.

C. Covenant Not to Compete

Master Franchise Owner covenants that, except as otherwise approved in writing by Franchisor, Master Franchise Owner shall not, for a continuous uninterrupted period commencing upon execution of this Agreement, and continuing for two years after expiration or termination of this Agreement, regardless of the reason for such termination or expiration, either directly or indirectly, for himself, or on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, manage, operate, maintain, advise, consult with, invest in, be employed by, or engage in, any retail business specializing, in whole or in part, in (a) a business offering to the public substantially similar products and/or services substantially similar to the products and/or services then being offered by a majority of the Franchisor's Master Franchise Businesses; or (b) any entity which is granting franchises or licenses to others to operate a location principally offering products or services in a manner substantially similar to Franchisor within a five (5) mile radius of a Mint Condition Master Franchise Business or; (c) directly or indirectly, for himself, or on behalf of any other person or entity, manage, operate, maintain, advise, consult with, invest in, be employed by, or engage in, any business offering janitorial services within five (5) miles from any Mint Condition customer location, whether or not the Mint Condition customer is an account of Franchisor or any Mint Condition franchisee. The above-noted covenant is not intended to prevent any individual Master Franchise Owner from being able to procure gainful employment.

D. Exception to Covenant Not to Compete

Paragraph XVII (C) hereof shall not apply to ownership by Master Franchise Owner of less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly held corporation.

E. Covenants are Independent

The parties agree that each of the foregoing covenants shall be construed to be independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Paragraph of this Agreement is held to be unenforceable or unreasonable by a court or agency having competent jurisdiction in any final decision to which Franchisor is a party, Master Franchise Owner expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resultant covenant were separately stated in and made a part of this Paragraph of this Agreement.

F. Claims Are Not Defense to Covenants

Master Franchise Owner expressly agrees that the existence of any claim it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants of this Paragraph of this Agreement. Master Franchise Owner further agrees that Franchisor shall be entitled to set off from any amount owed by Franchisor to Master Franchise Owner any loss or damage to Franchisor resulting from Master Franchise Owner's breach of this Paragraph of this Agreement.

G. Injunctive Relief Available to Franchisor

Master Franchise Owner acknowledges that any failure to comply with the requirements of this Paragraph of this Agreement will cause Franchisor irreparable injury for which no adequate remedy at law may be available, and Master Franchise Owner hereby accordingly consents to the issuance by a court of competent jurisdiction of an injunction prohibiting any conduct by Master Franchise Owner in violation of the terms of this Paragraph of this Agreement. Franchisor may further avail itself of any legal or equitable rights and remedies which it may have under this Agreement or otherwise.

XII. NO SOLICITATION

A. Employees

Master Franchise Owner and each of its Substantial Owners agree never to employ or solicit for employment any person who is at the time employed by Franchisor or any other Master or Janitorial Franchise Owner in the System, and Master Franchise Owner and each of its Substantial Owners agree not to directly or indirectly induce

any such person to leave their employment with Franchisor or any other Master or Janitorial Franchise Owner in the System.

B. Customers

Master Franchise Owner and each of its Substantial Owners agree that while this Agreement is in effect, all solicitations Master Franchise Owner and its Substantial Owners and employees make relating to janitorial and other facility services will be made on behalf of the Master Franchise Business conducted hereunder. Master Franchise Owner and each of its Substantial Owners agree that after the Transfer or Termination of this Agreement for any reason, Master Franchise Owner and its Substantial Owners will not solicit as a customer for commercial janitorial or other facility services: (a) any Janitorial Customer serviced by Master Franchise Owner or Janitorial Franchise Owner of Master Franchise Owner during the period of this Agreement was in effect; (b) any other janitorial customer serviced by Franchisor or any of its Master Franchise Owners or their Janitorial Franchise Owner during the period of this Agreement was in effect; or (c) any prospective janitorial customers to whom Franchisor or any of its Master Franchise Owners or their Janitorial Franchise Owner had proposals or bids outstanding at the time this Agreement ended.

XIII. MODIFICATION

This instrument contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect unless a subsequent modification in writing is signed by the parties hereto.

XIV. SEPARATE AGREEMENTS

Master Franchise Owner must obtain written Non-Disclosure and Non-Competition Agreements, in the form of Attachment C to this Agreement, signed by each of Master Franchise Owner's Substantial Owners, and by the employees who have access to the Confidential Information, and promptly send Franchisor a copy of each such agreement. Master Franchise Owner shall be primarily responsible for requiring compliance of its Substantial Owner and employees with the terms of their Non-Disclosure and Non-Competition Agreements, and for enforcing them.

XV. INDEMNIFICATION

Master Franchise Owner understands and agrees that nothing in this Agreement authorizes Master Franchise Owner to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name. Master Franchise Owner further understands and agrees that Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action or by reason of any act or omission of Master Franchise Owner in its conduct of the Master Franchise Owner's Master Franchised Business,

or any claim or judgment arising therefrom against Franchisor. Master Franchise Owner shall indemnify and hold Franchisor and Franchisor's Master Franchise Businesses, directors, shareholders and employees, and agents harmless from and against any and all claims, costs and causes of action, arising directly or indirectly from, as a result of, or in connection with, Master Franchise Owner's operation of the Master Franchise Owner's Master Franchised Business, its employees or agents, or by reason of any act occurring on or at the premises of its Mint Condition Master Franchise Business or by reason of an omission relating to the operation of its Mint Condition Master Franchise Business, as well as the costs, including attorneys' fees and court costs, of defending against same.

XVI. TRANSFER OF MASTER FRANCHISE AGREEMENT

A. Purpose of Conditions

Franchisor's grant of this Master Franchise is made in reliance upon Master Franchise Owner's integrity, ability, experience and financial resources. Consequently, no Transfer (as defined in this Agreement) may be made unless Master Franchise Owner has first obtained Franchisor's written consent, which will not be unreasonably withheld. In order to ensure that no Transfer jeopardizes the Trade name, the Proprietary Marks or Franchisor's interest in the successful operation of the Master Franchise Business, Franchisor will consent to a Transfer only if Master Franchise Owner complies with all the provisions of this Agreement.

B. Notice of Proposed Transfer

If Master Franchise Owner wishes to make a Transfer, Master Franchise Owner must submit to Franchisor: (a) the form of Master Franchise Owner application form currently in use by Franchisor completed by the prospective transferee, and (b) a written notice, setting forth all the terms and conditions of the proposed Transfer and all available information about the proposed transferee, together with copies of all documentation including any written offer.

C. Consent by Franchisor

Franchisor must respond to the written notice of Master Franchise Owner within fifteen (15) days after receipt of the notice, or if Franchisor requests additional information, within fifteen (15) days after receipt of the additional information. Franchisor may either consent to the Transfer, or state its reason for refusing to consent. Silence shall not be construed as consent. If Franchisor consents to the Transfer, then Master Franchise Owner may transfer the interest described in the notice only to the named transferee and only upon the terms and conditions set forth in the notice and Franchisor's consent. Consent by Franchisor to a particular Transfer will not constitute consent to any other or subsequent Transfer.

D. Conditions for Consent to Transfer

Unless a waiver, as set-forth in this Agreement applies to some or all of the conditions set forth below in this Paragraph of this Agreement, every Transfer is subject to all of the following requirements:

1. Satisfaction of Franchisor that the proposed transferee meets all of the criteria of character, business experience, financial responsibility, net worth and other standards that Franchisor customarily applies to new Master Franchise Owners at the time of the proposed Transfer; and if the Transfer is to an existing Mint Condition Master Franchise Owner, that Master Franchise Owner must be in Good Standing and fully capable, in Franchisor's sole reasonable judgment, of handling the additional business;
2. Payment of all Master Franchise Owner's outstanding obligations to Franchisor;
3. Cure of all defaults under this Agreement and any other agreement between Franchisor or any of its Affiliates and Master Franchise Owner;
4. Signing by the transferee of the then-current form of Master Franchise Agreement, amended to shorten the term of the remainder of Master Franchise Owner's current term and to waive payment of an Initial Master Franchise Fee by the proposed transferee;
5. Providing Franchisor with: (i) the names, titles and residential addresses of the owners and the officers or managers of any entity to whom a Transfer is being made, and their percentages of ownership; and (ii) the address where the entity will keep its business records;
6. Payment by Master Franchise Owner of the Transfer Fee described in this Agreement;
7. Completion by the transferee of Franchisor's initial training program to Franchisor's reasonable satisfaction, and payment by Master Franchise Owner or transferee of the training fee described in this Agreement;
8. Signing of a Non-Disclosure and Non-Competition Agreement substantially in the form of Attachment C to this Agreement by each of the Substantial Owners of the entity to whom a Transfer is made;

9. Signing of a Guaranty of Master Franchise Owner's Undertakings substantially in the form of Attachment B to this Agreement by each of the Substantial Owners of the entity to whom a Transfer is made (and by each such individual's spouse in a community property state);
10. Signing of a general release of claims by Master Franchise Owner and its Substantial Owners and their spouses in favor of Franchisor and its Affiliates; and
11. Offering a Franchisor a first right of refusal to acquire the assets and/or interests that are subject to the Transfer, as provided in this Agreement.

XVII. WAIVERS OF SOME CONDITIONS UPON CERTAIN TYPES OF TRANSFERS

A. Incorporation

In the event of a Transfer to any corporation or other form of business entity, if the beneficial ownership of the business entity immediately following the Transfer is the same and in the same proportions as the beneficial ownership immediately before the Transfer, then provided that the original part(y/ies) remain(s) fully obligated under this Agreement, then Franchisor may waive certain provisions of this Agreement.

B. Transfer of Partial Interest Between Co-Owners

In the event of a Transfer of a partial ownership interest in a corporation or other legal entity which is the Master Franchise Owner to an existing co-owner of the Master Franchise Owner, the Franchisor may waive certain provisions of this Agreement; *except that* if the co-owner who will be acquiring a greater ownership interest has not successfully completed Franchisor's initial training program and will have a controlling interest or will be active in the business, then that requirement in this Agreement must be satisfied.

C. Death or Substantial Disability

If an individual Master Franchise Owner or an owner of a thirty percent (30%) or greater Substantial Interest in Master Franchise Owner dies or becomes substantially and permanently disabled while this Agreement is in effect, that person's heirs or representative will have sixty (60) days within which to request approval by Franchisor of a Transfer of that person's interests to them and to demonstrate to Franchisor's satisfaction that they meet all of the criteria of character, business experience, financial responsibility, net worth and other standards that Franchisor requires of new Master Franchise Owners at that time. If Franchisor approves the heirs or representative as transferees of the deceased or disabled person, Franchisor may waive certain provisions of this Agreement in connection with the Transfer. If Franchisor advises the heirs or representative in writing that Franchisor will not

approve them as transferees, or if Franchisor fails to approve or disapprove the Transfer within sixty (60) days following its receipt of the request for approval of a Transfer to the heirs or representative, the heirs or representative will have one hundred twenty (120) additional days from the date of disapproval of the Transfer within which to Transfer the interest of the deceased or disabled person to a qualified transferee in conformity with the provisions of this Agreement. If the heirs or representative do not make a Transfer approved by Franchisor within the specified period, this Agreement will automatically terminate at the end of the period unless a written extension of time has been granted by Franchisor.

D. Franchisor's Right of First Refusal

Except as otherwise provided in the Agreement, before making a Transfer, Master Franchise Owner must first give Franchisor written notice of all the terms of the proposed Transfer and all available information about the proposed transferee, together with copies of all documentation including any written offer. Within fifteen (15) days after receipt of the notice and documentation, Franchisor may, at its option, elect to become (or have its nominee become) the transferee. The exercise of the option shall be upon the terms specified in the notice and documents, subject to a set off for all amounts owed by Master Franchise Owner and any Related Party to Franchisor and its Affiliates. If Franchisor declines to exercise its option within the time specified, Master Franchise Owner may thereafter make the Transfer to an approved transferee (but not on more favorable terms than those offered to Franchisor) provided that all of the requirements of this Agreement are satisfied. If the Transfer is not made within three (3) months from the date of the notice to Franchisor, then Master Franchise Owner must give Franchisor another notice and option as provided in this Agreement before making any Transfer.

E. Assignment by Franchisor

This Agreement grants Franchisor the right to freely transfer or assign all or part of its rights or obligations under this Agreement to any assignee or other legal successor to the interests of Franchisor without Franchisor's consent.

XVIII. TERMINATION OF MASTER FRANCHISE AGREEMENT

A. Termination by Mutual Consent

This Agreement may be terminated at any time upon the mutual written consent of the parties.

B. Termination by Franchisor

1. Acts of Default

Upon the occurrence of any of the following defaults by Master Franchise Owner, Franchisor, at its option, may terminate this Agreement:

- a. If Master Franchise Owner fails to make any payment when due under this Agreement or any other agreement between Master Franchise Owner and Franchisor or an Affiliate of Franchisor;
- b. If Master Franchise Owner fails to open its office and commence business on time, or fails to pay the Minimum Royalty Payments as specified in Attachment A to this Agreement;
- c. If Master Franchise Owner has not fulfilled the Initial Business Plan and/or Additional Business offered to its Janitorial Franchise Owners in a reasonable period of time, as determined by Franchisor, in its sole discretion, and as more fully set-forth in the Master's Manual.
- d. If Master Franchise Owner misuses the Proprietary Marks or the System or engages in conduct which reflects materially and unfavorably upon the goodwill associated with them including conduct that results in complaints from Janitorial Franchise Owner's or Janitorial Customers or if Master Franchise Owner uses in a Master Franchise Business any names, Proprietary Marks, systems, logotypes or symbols that Franchisor has not authorized Master Franchise Owner to use;
- e. If Master Franchise Owner defaults in the performance of any other material obligation under this Agreement or any other agreement with Franchisor or its Affiliate;
- f. If Master Franchise Owner or any Substantial Owner has made any material misrepresentation in connection with the acquisition of the Master Franchise Business or to induce Franchisor to enter into this Agreement;
- g. If Master Franchise Owner ceases to operate the Master Franchised Business for a period of three (3) days or more, unless: (i) operations are suspended for a period of no more than one hundred eighty (180) days and (ii) the suspension was caused by an act of God or disaster not within Master Franchise Owner's control;

- h. If Master Franchise Owner fails to permanently correct a breach of this Agreement after being twice requested in writing by Franchisor to correct the problem in any twelve (12) month period;
- i. If Master Franchise Owner is convicted of a felony or any criminal misconduct which is relevant to the operation or reputation of the Master Franchised Business; or
- j. If Master Franchise Owner has been adjudicated by a court of competent jurisdiction that it has materially breached any of its Franchise Agreements with its Janitorial Franchise Owners.

2. Notice of Default

Termination will be effective five (5) business days after written notice is given to Master Franchise Owner if the default described in subparagraph (a) has not been cured within that time period. Termination will be effective thirty (30) days after written notice of default is given to Master Franchise Owner if any of the defaults described in subparagraphs (b) through (e) above have not been cured within that time period. Termination will be effective immediately upon written notice to Master Franchise Owner if any of the defaults described in subparagraphs (f) through (j) above occurs.

C. Termination by Master Franchise Owner

If Master Franchise Owner is in compliance with this Agreement and Franchisor materially breaches this Agreement and fails to cure such breach within thirty (30) days after written notice thereof is delivered to Franchisor, then Master Franchise Owner may terminate this Agreement and the Master Franchise effective thirty (30) days after delivery to Franchisor of notice thereof. Any termination of this Agreement and the Franchise by Master Franchise Owner, without complying with the foregoing requirements, or for any reason other than a material breach of this Agreement by Franchisor and Franchisor's failure to cure such material breach within thirty (30) days after receipt of written notice thereof, shall be deemed a termination by Master Franchise Owner without cause.

D. Rights and Obligations After Termination

1. Rights and Duties

Upon Termination of this Agreement for any reason, the parties will have the following rights and obligations:

- a. All Janitorial Franchise Agreements, all Promissory Notes by Janitorial Franchise Owners in favor of Master Franchise Owner and all contracts with Janitorial Customers shall automatically be assigned to Franchisor upon Termination, and Master Franchise Owner shall have no further rights with respect thereto; provided, however, that Master Franchise Owner shall remain solely liable for all debts, payments and other obligations incurred by Master Franchise Owner prior to the date of Termination (except for lease obligations expressly assumed by Franchisor pursuant to Paragraphs (j) and/or (k) below); and provided, further that Master Franchise Owner shall be entitled to all payments and receivables actually received by Franchisor after the date of Termination for obligations which arose or accrued to Master Franchise Owner prior to the date of Termination (except that Franchisor may apply such payments against Master Franchise Owner's obligations to Franchisor).
- b. Master Franchise Owner shall immediately permit Franchisor to occupy the premises from which Master Franchise Owner has been conducting the Master Franchised Business for the purpose of continuing the operation of the business for the benefit of Franchisor, Janitorial Customers and Janitorial Franchise Owner.
- c. Master Franchise Owner shall immediately turn over to Franchisor all files and records relating to the conduct of the Master Franchise Business, in whatever format Franchisor may reasonably request, including without limitation all records relating to existing, former and prospective Janitorial Customers and Janitorial Franchise Owners.
- d. Franchisor will have no further obligations under this Agreement.
- e. Master Franchise Owner must give Franchisor a final accounting for the Master Franchised Business, pay Franchisor, within thirty (30) days after Termination, all payments due to Franchisor, and return to Franchisor all copies of the Master Franchise Manuals, the Software and any other property belonging to Franchisor, in the possession or under the control of Master Franchise Owner.
- f. Master Franchise Owner must immediately and permanently cease the use of the Trade Name, the Proprietary Marks or any confusingly similar Proprietary Marks, the System, and all advertising, signs, stationery, or forms that bear identifying

Proprietary Marks or colors that might give others the impression that Master Franchise Owner is operating a Master Franchised Business.

- g. Master Franchise Owner must promptly sign any documents and take any steps that in the judgment of Franchisor are necessary to delete or assign to Franchisor or its nominee all of Master Franchise Owner's listings in classified telephone directories and all telephone numbers that have been used in the Master Franchise Business, and to terminate all other references that indicate Master Franchise Owner is or ever was associated with Franchisor; by signing this Agreement, Master Franchise Owner irrevocably appoints Franchisor its attorney-in-fact to take the actions described in this Paragraph if Master Franchise Owner does not do so within seven (7) days after Termination of this Agreement.**
- h. Master Franchise Owner must maintain all records required by Franchisor pursuant to this Agreement for a period of not less than one (1) year after final payment of any amounts Master Franchise Owner owes to Franchisor when this Agreement is terminated.**
- i. Franchisor has an option to purchase any or all of the physical assets of the Master Franchise Business owned by Master Franchise Owner, including its equipment, furniture, supplies and inventory, valued as of the date of the Termination in the following manner:**
 - (i) The lower cost or fair market value of the supplies and inventory, whichever is less; and**
 - (ii) Depreciated value of other tangible personal property calculated on the straight-line method over a five (5) year life, less any liens or encumbrances.**

Franchisor must send written notice to Master Franchise Owner within thirty (30) days after Termination of this Agreement of its election to exercise the option to purchase. If the parties do not agree on a price within the option period, the option period will be extended for up to fifteen (15) business days to permit appraisal by an independent appraiser who is mutually satisfactory to the parties. If the parties fail to agree upon an appraiser within the specified period, each will appoint an appraiser and the two (2) appraisers thus appointed will agree on a third appraiser within sixty (60) days after the Termination. Each of the three (3)

appraisers so selected shall be instructed to render a written appraisal of the value of the physical assets of the Master Franchise Business in accordance with the standards specified above within fifteen (15) days after his appointment. The value shall be the average of: (i) the appraisal with a value between the highest and lowest values of the three (3) appraisals (the "Middle Appraisal") and (ii) the appraisal with the value closest to the value of the Middle Appraisal. This determination will be final and binding upon both Franchisor and Master Franchise Owner, who will share the costs of the appraisal equally. The sale must be completed within sixty (60) days after the purchase price is determined. Master Franchise Owner must sign a bill of sale and any other documents necessary to complete the sale on the terms set out above.

- j. Franchisor has an option to replace Master Franchise Owner as lessee under any lease for equipment and/or furniture that is used in connection with the Master Franchise Business. Upon request by Franchisor, Master Franchise Owner will give Franchisor copies of the leases for all equipment and furniture used in the Master Franchise Business immediately upon Termination. Upon request by Franchisor, Master Franchise Owner will allow Franchisor the opportunity, at a mutually satisfactory time, to inspect the leased equipment and furniture. Franchisor must request the information and access described in this Paragraph within fifteen (15) days after Termination; it must advise Master Franchise Owner of its wish to exercise the option within fifteen (15) days after it has received the information. Franchisor may assume an equipment or furniture lease in consideration of its assumption of future obligations under the lease. Upon exercise of this option by Franchisor, Master Franchise Owner will be fully released and discharged from future rents and other future liabilities under the lease if the terms of the lease permit it, but not from any debts to the lessor that already exist on the date when the option is exercised.
- k. Franchisor has an option to replace Master Franchise Owner as lessee or owner of the Approved Location, and of all fixtures that are part of the Approved Location, for the Master Franchise Business. If Master Franchise Owner rents the premises of the Master Franchise Business, Franchisor may assume the lease in consideration of its assumption of future obligations under the lease. Upon exercise of this option by Franchisor, Master Franchise Owner will be fully released and discharged from future rents and other future liabilities under the lease if the terms of the lease permit it, but not from any debts to the lessor

that already exist on the date when the option is exercised. The details of such option to replace Master Franchise Owner as lessee are set-forth in Attachment D for details.

E. Franchisor's Remedies

Master Franchise Owner acknowledges that its violation of any covenant of this Paragraph XVIII (D) will result in irreparable injury to Franchisor for which no adequate remedy at law will be available. Master Franchise Owner accordingly consents to the issuance of an injunction, without a bond, prohibiting any conduct by Master Franchise Owner in violation of such covenant. If this Agreement is terminated because of Master Franchise Owner's default, the rights of Franchisor described above will not necessarily be Franchisor's exclusive remedies, but will instead supplement any other equitable or legal remedies available to Franchisor, and nothing in this Paragraph will be construed to deprive Franchisor of the right to recover damages as compensation for lost profits.

F. Continuing Obligations

Termination of this Agreement will not extinguish any obligation of either party that has accrued prior to Termination. All obligations of the parties that by their terms or by reasonable implication are to be performed in whole or in part after Termination will continue.

XIX. ENFORCEMENT

A. Judicial Enforcement, Injunction and Specific Performance

Franchisor shall have the right to enforce by judicial process its right to terminate this Agreement for the causes enumerated in this Agreement, to collect any amounts owed to Franchisor for any unpaid Royalty Fees, or other unpaid charges due hereunder, arising out of the business conducted by Franchise Owner pursuant hereto, and to pursue any rights it may have under any leases, subleases, sales, purchase, or security agreements or other agreements with Franchise Owner. Franchisor shall be entitled without bond to the entry of temporary or permanent injunctions and orders of specific performance enforcing any of the provisions of this Agreement. If Franchisor secures any such injunction or orders of specific performance, Franchise Owner agrees to pay to Franchisor an amount equal to the aggregate costs of obtaining such relief, including, without limitation, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, and other litigation expenses and travel and living expenses, and any damages incurred by Franchisor as a result of the breach of any provision of this Agreement.

B. Severability and Substitution of Valid Provisions

All provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions

were not contained herein, and any partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. If any applicable law or rule requires a greater prior notice of the termination of this Agreement than is required hereunder, or requires the taking of some other action not required hereunder, the prior notice or other action required by such law or rule shall be substituted for the notice or other requirements hereof.

C. Master Franchise Owner May Not Withhold Payments Due Franchisor

Master Franchise Owner agrees that he or she will not withhold payments of any Royalty Fees or any other amounts of money owed to Franchisor for any reason on grounds of alleged nonperformance by Franchisor of any obligation hereunder.

D. Rights of Parties Are Cumulative

The rights of Franchisor and Master Franchise Owner hereunder are cumulative, and the exercise or enforcement by Franchisor or Master Franchise Owner of any right or remedy hereunder shall not preclude the exercise or enforcement by Franchisor or Master Franchise Owner of any other right or remedy hereunder which Franchisor or Master Franchise Owner is entitled by law or equity to enforce.

E. Governing Law

Except to the extent governed by the U.S. Trademark Act of 1946 (Lanham Act, 15 U.S.C., Paragraph 1051 et. seq.) this Agreement shall be governed by the laws of the State of North Carolina.

F. Binding Effect

This Agreement is binding upon the parties hereto and their respective permitted assigns and successors in interest.

G. Attorney Fees

In the event any legal proceedings between the parties hereto arise under this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and court costs from the other party.

H. Modification

This instrument contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect unless a subsequent modification in writing is signed by the parties hereto.

I. Venue

The parties hereto agree that the terms and provisions of this Agreement are to be interpreted in accordance with and governed by the laws of the State of North Carolina and the venue for any proceeding relating to the provisions of this Agreement is to be Mecklenburg County, State of North Carolina.

XX. CONSTRUCTION OF MASTER FRANCHISE AGREEMENT

This Agreement and other agreements or instruments referred to herein or which relate to the purchase or lease by Master Franchise Owner from Franchisor of any fixtures, signs, equipment, merchandise, or the like, constitute the entire agreement of the parties, and there are no other oral or written understandings or agreements between Franchisor and Master Franchise Owner relating to the subject matter of this Agreement. The headings of the several paragraphs and paragraphs hereof are for convenience only and do not define, limit, or construe the contents of those paragraphs. The term "Master Franchise Owner" as used herein is applicable to one or more persons, a corporation or partnership, or such other form of legal entity as Franchisor shall approve from time to time, as the case may be; the singular usage includes the plural; and the masculine and neuter usages include the other and feminine. References to "Master Franchise Owner" applicable to an individual or individuals shall mean the principal owner or owners of the equity or operating control of Master Franchise Owner, if Master Franchise Owner is a corporation or partnership. Nothing in this Agreement requires Master Franchise Owner to waive reliance on the representations made in the Franchise Disclosure Document.

XXI. NOTICES

All written notices permitted or required to be delivered by the provisions of this Agreement or of the Manual shall be deemed so delivered three (3) days after placed in the mail, by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal address which the notifying party has on record.

XXII. APPROVAL AND GUARANTEES

Each Substantial Owner of Master Franchise Owner must approve this Agreement, permit Master Franchise Owner to furnish the financial information required by Franchisor, and agree to the confidentiality covenants and other restrictions placed on them, including restrictions on the transferability of their interests in this Agreement and the Master Franchise Business and limitations on their rights to compete, and sign a separate Personal Guaranty of Master Franchise Owner's payments and performance in the form of Attachment B to this Agreement.

XXIII. ACCEPTANCE BY FRANCHISOR

This Agreement will not be binding on Franchisor unless and until it has been signed by an authorized officer of Franchisor.

XXIV. VARYING STANDARDS

Because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole and absolute discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any Franchise based upon the peculiarities of a particular site or circumstance, density of population, business potential, population or trade area, existing business practices, or any other condition which Franchisor deems to be of importance to the successful operation of such Master Franchise Owner's business. Master Franchise Owner shall not have any right to complain about a variation from standard specifications and practices granted to any other Master Franchise Owner and shall not be entitled to require Franchisor to grant to Master Franchise Owner a like or similar variation.

XXV. SPECIAL REPRESENTATIONS

Master Franchise Owner (and each partner or shareholder if Master Franchise Owner is a partnership or corporation) hereby represents as follows:

- A. That he or she has conducted an independent investigation of the Mint Condition business and System and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the ability of Master Franchise Owner as an independent business person. Franchisor expressly disclaims the making of, and Master Franchise Owner acknowledges that it has not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business contemplated by this Agreement.**
- B. No representations or promises of any kind have been made by Franchisor to induce Master Franchise Owner to sign this Agreement except those specifically set forth in this Agreement and the Franchise Disclosure Documents that have been delivered to Master Franchise Owner. Master Franchise Owner acknowledges that neither Franchisor nor any other person has guaranteed that Master Franchise Owner will succeed in the operation of the Master Franchise Business or has provided any sales or income projections of any kind to Master Franchise Owner. Master Franchise Owner has made an independent investigation of all-important aspects of the Master Franchise Business. Master Franchise Owner understands that Franchisor is not a Fiduciary and has no special responsibilities beyond the normal responsibilities beyond of a seller in a business transaction.**

- C. Master Franchise Owner acknowledges having received, read, and understood this Agreement, including all Attachments or Exhibits hereto; and Master Franchise Owner further acknowledges that Franchisor has accorded Master Franchise Owner ample time and opportunity to consult with advisors of his/her own choosing about the potential benefits and risks of entering into this Agreement.**
- D. Master Franchise Owner acknowledges that it has been provided a complete copy of this Agreement, with all attachments referred to herein, and agreements relating hereto, if any, at least seven (7) calendar days before Master Franchise Owner executed this Agreement with, or make a payment to, Franchisor or an affiliate in connection with the proposed franchise sale ; and**
- E. Master Franchise Owner also acknowledges that prior to the date of this Agreement, no other Agreement was entered into, no promises were made by Franchisor, and no funds were offered to or accepted by Franchisor.**

IN WITNESS TO THE PROVISIONS OF THIS MASTER FRANCHISE AGREEMENT, the undersigned have signed it to be effective on the date set forth in Attachment A to this Agreement.

FRANCHISOR:

Mint Condition Franchising, Inc.

By: _____

MASTER FRANCHISE OWNER:

By: _____

(Print or type name)

Its: _____

ATTACHMENT A
TO
MASTER FRANCHISE AGREEMENT

TERMS

A. Master Franchise Owner. Master Franchise Owner is:

(Full legal name)

(check one and insert
state of formation)

☐ a _____ proprietorship
☐ a _____ corporation
☐ a _____ partnership
☐ a _____ limited liability
company

(Street Address)

(City, State, Zip Code)

Telephone Number: (____) _____

Facsimile Number: (____) _____

B. Effective Date. The Effective Date of the Master Franchise Agreement is:

| _____, 2014~~3~~

C. Territory. Master Franchise Owner's Territory is:

D. **Initial Fee.** The non-refundable Initial Fee payable by Master Franchise Owner to Franchisor upon the execution of the Master Franchise Agreement is:
\$ _____.

E. **Minimum Royalties.** Master Franchise Owner agrees to pay Franchisor the amount of Royalties calculated as provided in Paragraph VI (C), but in no event less than the following amounts:

Master Franchise <u>Agreement</u>	Standard Territory Minimum <u>Monthly Royalties</u>	Small Territory Minimum <u>Monthly Royalties</u>
Effective Date through end of 3rd full calendar month	No monthly minimum	No monthly minimum
Months 4 through 12	\$ 250	\$ 250
Months 13 through 24	\$ 500	\$ 500
Months 25 through 36	\$1,000	\$ 750
Months 37 through 48	\$1,500	\$1,000
Months 49 through 60	\$2,000	\$1,250
Months 61 through 72	\$2,500	\$1,500
Months 73 through 240	\$3,000	\$2,000

GUARANTY OF MASTER FRANCHISE OWNER'S UNDERTAKINGS

In consideration of, and as an inducement to, the execution of the foregoing Franchise Agreement (the "Agreement") dated the _____ day of _____, _____, by Mint Condition Franchising, Inc., each of the undersigned hereby guarantees jointly and severally unto Mint Condition Franchising, Inc., that _____ ("Master Franchise Owner") will perform during the terms of the Agreement each and every covenant, payment, agreement, and undertaking on the part of Master Franchise Owner contained and set forth in such Agreement. The undersigned agrees that all provisions of the Franchise Agreement relating to the obligations of Master Franchise Owners, including, without limitation, the covenants of confidentiality and non-competition and other covenants set forth in the Agreement, shall be binding on the undersigned.

Mint Condition Franchising, Inc., its successors and assigns, may from time to time, without notice to the undersigned (a) resort to the undersigned for payment of any of the liabilities, whether or not it or its successors have resorted to any property securing any of the liabilities or proceeded against any other of the undersigned or any party primarily or secondarily liable on any of the liabilities, (b) release or compromise any liability of any of the undersigned hereunder or any liability of any party or parties primarily or secondarily liable on any of the liabilities, and (c) extend, renew or credit any of the liabilities for any period (whether or not longer than the original period); alter, amend, or exchange any of the liabilities; or, give any other form of indulgence whether under the Agreement or not.

The undersigned further waives presentment, demand, notice of dishonor, protest, nonpayment, and all other notices whatsoever, including, without limitation: notice of the acceptance hereof; notice of all contracts and commitments; notice of the existence or creation of any liabilities under the foregoing Agreement and of the amount and terms thereof; and notice of all defaults, disputes or controversies between Master Franchise Owner and Mint Condition Franchising, Inc. resulting from such Agreement or otherwise, and the settlement, compromise or adjustment thereof.

The undersigned agrees to pay all expenses paid or incurred by Mint Condition Franchising, Inc. in attempting to enforce the foregoing Agreement and this Guaranty against Master Franchise Owner and against the undersigned and in attempting to collect any amounts due thereunder and hereunder, including reasonable attorneys' fees if such enforcement or collection is by or through an attorney-at-law. Any waiver, extension of time, or other indulgence granted from time to time by Mint Condition Franchising, Inc., its agents, successors or assigns, with respect to the foregoing Agreement, shall in no way modify or amend this Guaranty, which shall be continuing, absolute, unconditional and irrevocable. If more than one person has executed this Guaranty, the term "the undersigned," as used herein, shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary as sureties.

IN WITNESS WHEREOF, each of the undersigned has executed this Guaranty effective as of the date of the foregoing Master Franchise Agreement.

Witness

Name of Guarantor

Witness

Name of Guarantor

NOTARY PUBLIC

I, _____, a notary in the State of _____, County of _____, do hereby certify that the foregoing Guaranty of Master Franchise Owner's Undertakings was acknowledged before me this _____ day of _____, _____, by _____, who is personally known to me or who has produced identification demonstrating his/her identity.

Signature of Person Taking Acknowledgement

My Commission Expires: _____

NON-DISCLOSURE AND NON-COMPETITION AGREEMENT

This Non-Disclosure and Non-Competition Agreement (this "Agreement") is made as of this _____ day of _____, 20__ by and between _____ ("Master Franchise Owner") and Mint Condition Franchising, Inc. ("Franchisor") regarding a Master Franchise Agreement (the "Master Franchise Agreement") between Master Franchise Owner and ("Franchisor"); and

The undersigned ("Recipient"), who owns 10% or more of the ownership interests in Master Franchise Owner, and/or holds or has been offered a position as an employee of Master Franchise Owner (any such current and future interest or position held by Recipient is hereinafter referred to as the "Position").

Recipient acknowledges that Master Franchise Owner is entering into this Agreement for itself and for the benefit of Franchisor pursuant to the requirements of the Master Franchise Agreement.

RECITALS:

WHEREAS, in connection with his Position, Recipient will have access to, generate, or otherwise come into contact with certain proprietary and/or confidential information and trade secrets of Master Franchise Owner and Franchisor (collectively the "Confidential Information"), including without limitation training materials, programs, methods, techniques, specifications, standards, systems, procedures, base of revenues, sales and marketing programs and strategies, computer software programs, manuals, financial data, knowledge of specifications for and suppliers of equipment, supplies and services, bidding, pricing and billing methods, existing and prospective customer lists and information about them and their service contracts, at any time existing or under consideration, for the operation of Mint Condition regional offices and commercial janitorial and other facility service businesses (the "System"); and

WHEREAS, Recipient, Master Franchise Owner and Franchisor desire to prevent the dissemination or misuse of such Confidential Information;

NOW, THEREFORE, as an inducement to Franchisor to enter into the Master Franchise Agreement with Master Franchise Owner, or to approve a transfer to or the appointment of Recipient, and/or in consideration of Recipient's employment or continued employment by Master Franchise Owner, Recipient and Master Franchise Owner (on behalf of both Master Franchise Owner and Franchisor) agree as follows:

1. Confidential Information

1.1 Ownership. Recipient acknowledges that Franchisor and/or Master Franchise Owner is/are the sole owner of all the Confidential Information; that the Confidential Information is being imparted to Recipient in trust and confidence and only by reason of Recipient's Position; and that the Confidential Information is not generally known to the trade or public and is not known to Recipient except by reason of such disclosure. Recipient further acknowledges that Recipient shall acquire no interest in the Confidential Information, other than the right to utilize it in connection with the performance of duties associated with Recipient's Position. In addition, Recipient acknowledges that the use, duplication or disclosure of the Confidential Information except as expressly permitted by this Agreement shall constitute an unfair method of competition and that Franchisor and Master Franchise Owner shall suffer irreparable injury thereby.

1.2 Confidentiality. All of the Confidential Information and all other information and knowledge about the System which is not in the public domain and such other information and material as Franchisor or Master Franchise Owner may designate as confidential shall be deemed confidential for purposes of this Agreement. Recipient acknowledges that the Confidential Information is disclosed to Recipient solely on the condition that Recipient agree, and Recipient hereby does agree, that Recipient: (a) will use the Confidential Information in strict accordance with the instructions and directions given by Master Franchise Owner or Franchisor from time to time; (b) will not use the Confidential Information in any other business or capacity; (c) will not, at any time, while holding any Position with Master Franchise Owner or thereafter, in any manner or form, directly or indirectly, disclose, duplicate, license, sell, reveal, divulge, publish or communicate the Confidential Information, or any portion thereof, to any person or entity other than Master Franchise Owner or Franchisor, or employees of Master Franchise Owner or Franchisor who need to have such information in connection with their jobs; (d) will not copy any materials containing the Confidential Information, including without limitation the System manuals and software, without Franchisor's prior written consent; (e) will observe and implement all reasonable procedures imposed from time to time by Franchisor and/or Master Franchise Owner to prevent the unauthorized use and disclosure of the Confidential Information; (f) will keep all System manuals, software and other written materials containing any portion of the Confidential Information in a secure manner and place; and (g) if Recipient is legally compelled to disclose any of the Confidential Information, will do so only if Recipient has used his or her best efforts to afford Franchisor and Master Franchise Owner the opportunity of obtaining appropriate protective orders or other assurances of confidentiality satisfactory to Franchisor and Master Franchise Owner.

1.3 Work Product. Recipient agrees that all documents, papers, notes and other material and work product containing or derived from the Confidential Information or connected with Recipient's Position with Master Franchise Owner shall be Confidential Information. Recipient agrees that he will have no proprietary interest in any work product developed or used by him and arising out of his Position with Master Franchise Owner. Recipient will, from time to time, as may be requested by Master Franchise Owner

or Franchisor, do all things which may be necessary to establish or document Master Franchise Owner or Franchisor's ownership of any such work product, including without limitation, execution of assignments.

1.4 Assignment of Improvements. Recipient agrees to disclose promptly to Franchisor any and all inventions, discoveries and improvements, whether or not patentable or copyrightable, conceived or made by Recipient while holding any Position with Master Franchise Owner and related to the commercial janitorial and other facility service business, and Recipient agrees to assign all his interest therein, if any, to Franchisor without compensation. Whenever requested to do so by Franchisor, Recipient will execute any and all applications, assignments or other instruments that Franchisor shall deem necessary to apply for and obtain patents and or/copyrights or to otherwise protect Franchisor's interest therein. These obligations shall continue beyond the termination of Recipient's Position with respect to inventions, discoveries and improvements conceived or made by Recipient while holding any Position with Master Franchise Owner, and shall be binding upon Recipient's assigns and personal representatives.

1.5 Return of Confidential Material. Upon termination of his Position with Master Franchise Owner, Recipient shall promptly return to Master Franchise Owner all copies of any materials containing the Confidential Information and all property belonging to Master Franchise Owner and Franchisor, or either of them, in Recipient's possession, custody of control, including any of such items produced or prepared by Recipient.

2. Noncompetition

2.1 Covenant. Recipient recognizes that: (a) the commercial janitorial and other facility services business is very competitive; (b) the Mint Condition System is currently operated in multiple states within the United States and is intended to expand to be national in scope; (c) Recipient by virtue of his or her Position will have access to the Confidential Information and will have close contacts with Mint Condition customers and franchisees for the purpose of maintaining and further developing the business and goodwill of the System; (d) for these very reasons, the Position also provides Recipient with the attendant ability to divert customer trade and franchisees; and (e) consequently, Franchisor and Master Franchise Owner each have strong legitimate interests in obtaining the covenants herein for the protection of their respective businesses and goodwill. Recipient therefore agrees that, without the express prior written consent of Franchisor and Master Franchise Owner, which either may withhold in its sole and absolute discretion, Recipient shall not, during the Time Period (as defined below), directly or indirectly, engage in, render services or provide financing to, or have any interest in, any Competitive Business (as defined below) located or conducting business within the Area (as defined below).

2.2 Time Period. For the purposes of Paragraph 2.1 of this Agreement, the term "Time Period" shall mean (a) for the period while Recipient holds a Position with Master Franchise Owner; and (b) after the Recipient no longer holds a Position with Master Franchise Owner, for a period of (i) twelve months if Recipient is or ever was an

owner of 10% or more of Master Franchise Owner, or (ii) six months if Recipient was never an owner of 10% or more of Master Franchise Owner.

2.3 Competitive Business. For the purposes of Paragraph 2.1 of this Agreement, the term “Competitive Business” shall mean operating, or granting franchises or licenses to others to operate, a business providing janitorial or other facility services to commercial customers.

2.4 Area. For the purposes of Paragraph 2.1 of this Agreement, the term “Area” shall mean (a) the Territory as defined in the Master Franchise Agreement in which Master Franchise Owner provides or provided support and services to Mint Condition customers and franchisees, and (b) a radius of 75 miles from the regional office through which Master Franchise Owner conducts or conducted its Mint Condition business, and (c) a radius of 75 miles from any other Mint Condition regional office operated by Franchisor or any of its other Master Franchise Owner in the state where Master Franchise Owner conducts or conducted its Mint Condition business, and (d) a radius of 75 miles from any other Mint Condition regional office operated by Franchisor, Master Franchise Owner or any of the Franchisor’s other Master Franchise Owner in any other state, and (e) any other country where Franchisor or its affiliates or their franchisees are located or conducting business.

3. No Solicitation

3.1 Employees. Recipient agrees never to employ or solicit for employment any person who is at the time employed by Franchisor, Master Franchise Owner or any other Franchise Owner in the Mint Condition System, and Recipient agrees not to directly or indirectly induce any such person to leave their employment with Franchisor, Master Franchise Owner or any other Franchise Owner in the Mint Condition System.

3.2 Customers. Recipient agrees that during the time Recipient holds a Position with Master Franchise Owner, and after Recipient’s Position with Master Franchise Owner ends, except for solicitations Recipient makes on behalf of Master Franchise Owner, Recipient will never solicit as a customer for commercial janitorial or other facility services: (a) any Mint Condition customers serviced by Master Franchise Owner or its franchisees during the period Recipient held a Position with Master Franchise Owner, or (b) any other persons or entities who were Mint Condition customers serviced by others during the period Recipient held a Position with Master Franchise Owner. Recipient also agrees that after Recipient no longer holds any Position with Master Franchise Owner, Recipient will not thereafter solicit as a customer for commercial janitorial services any prospective customers to whom Mint Condition had proposals or bids outstanding at the time Recipient’s Position with Master Franchise Owner ended.

3.3 Franchise Owner. Recipient agrees that during the time Recipient holds a Position with Master Franchise Owner, and after Recipient’s Position with Master Franchise Owner ends, except for solicitations Recipient makes on behalf of Master Franchise Owner, Recipient will never solicit as a Franchise Owner or employee to

perform commercial janitorial or other facility services: (a) any Mint Condition Franchise Owner of Master Franchise Owner during the period Recipient held a Position with Master Franchise Owner, or (b) any Mint Condition Franchise Owner of Franchisor or any other master Franchise Owner during the period Recipient held a Position with Master Franchise Owner.

4. Modification

The covenants set forth in this Agreement shall each be construed as independent of any other covenant or provision of this or any other agreement. Franchisor may reduce the scope of the obligations under the covenants of this Agreement unilaterally and without the consent of any other person or entity, effective upon giving notice thereof to Master Franchise Owner and Recipient.

5. Remedies

5.1 Acknowledgements. Recipient acknowledges and agrees that in the event of the termination of Recipient's Position with Master Franchise Owner, Recipient's experience and capabilities are such that the Recipient can obtain employment and engage in business activities which are of a different or non-competing nature from those of the Position; and that the enforcement of a remedy of injunction will not prevent Recipient from earning a reasonable living. Recipient further acknowledges and agrees that the covenants contained in this Agreement are necessary for the protection of Master Franchise Owner's and Franchisor's legitimate business interests and are reasonable in scope and in content.

5.2 Trade Secret Laws. The remedies set forth in this Agreement are in addition to and cumulative of any rights or remedies that may be available to Franchisor and/or Master Franchise Owner under any applicable laws relating to trade secrets and/or unfair competition, and nothing contained in this Agreement shall be construed as a waiver of any rights or remedies available to Franchisor and/or Master Franchise Owner under any applicable law.

5.3 Injunctive Relief. In the event of an actual or threatened breach by Recipient of any of the provisions of this Agreement, Master Franchise Owner and Franchisor, or either of them, or their agents, shall immediately be entitled to injunctive relief, without posting bond, restraining Recipient from the breach or threatened breach without having to show any actual damage. It is specifically agreed that Master Franchise Owner and Franchisor, or either of them, may incur incalculable and irreparable damage from such violation, and that Master Franchise Owner and Franchisor, or either of them, have no adequate remedy at law and are entitled to injunctive relief, without bond, for any such actual or threatened violation. Nothing herein shall be construed as prohibiting Master Franchise Owner and Franchisor, or either of them, from pursuing any other available remedies for such breach.

6. Survival

The provisions of this Agreement shall survive the expiration or termination of any agreement or relationship between Master Franchise Owner and Recipient for any reason, and shall be enforceable, notwithstanding the existence of any claim or cause of action of Recipient against Master Franchise Owner and Franchisor, or either of them, predicated on any contact or other basis whatsoever.

7. Severability

In the event any term or provision of this Agreement is declared to be invalid or unenforceable for any reason, the provision shall be modified to the extent necessary to make it enforceable, or if it cannot be so modified, then severed, and the remaining terms of this Agreement shall remain in full force and effect, and it is hereby declared the intention of the parties that they would have executed the Agreement as so modified.

8. Notice

Any notice to be given to Recipient under this Agreement will be sufficient and deemed deliverable if it is in writing and delivered to the U.S. Post Office to be sent prepaid by certified or registered mail addressed to Recipient at his or her residential address as provided below, or to such other residential address as Recipient shall have provided in writing to both Master Franchise Owner and Franchisor.

9. General

Except as otherwise expressly stated herein, this Agreement contains the entire understanding between the parties with respect to the subjects hereof, and supersedes all prior oral and written negotiations and agreements. Except as provided in Paragraph 4 of this Agreement, this Agreement may be amended only by an instrument in writing signed by Master Franchise Owner and Recipient and approved in writing by Franchisor. The waiver of any breach or violation of this Agreement shall not be deemed to amend this Agreement and shall not constitute a waiver of any other or subsequent breach. Headings are for convenience and shall not limit or control interpretation. Words in this Agreement shall be deemed to refer to whatever number and gender the context requires. This Agreement shall be governed by the laws of the state in which Master Franchise Owner's Mint Condition business is conducted. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns. Franchisor shall be a third party beneficiary of this Agreement and entitled to enforce it as though Franchisor were a signatory. Should Franchisor or Master Franchise Owner be required to enforce its rights hereunder, it shall be entitled to recover its reasonable costs and expenses, including without limitation attorneys' fees.

Dated: _____, 20__

RECIPIENT

(Individually, and on behalf of all persons
entities under Recipient's control):

(Signature)

(Name Printed or Typed)

Position(s) with Master Franchise Owner
(check all that apply and fill in blanks):

☐ ____ % Owner

☐ Director

☐ Officer _____
(provide title)

☐ Manager

☐ Assistant Manager

☐ Other _____ (specify)

(Residential Street Address)

(City, State, Zip Code)

ACCEPTED BY MASTER FRANCHISE OWNER

(For itself and on behalf of Franchisor);

(Full Legal Name of Master Franchise Owner)

By: _____
(Signature)

(Name Printed or Typed)

Its: _____
(Title)

AGREEMENT FOR ASSIGNMENT OF OFFICE LEASE

THIS AGREEMENT FOR ASSIGNMENT OF OFFICE LEASE (this “Agreement”) is made and to be effective as of this ____ day of _____, 20__, by and among Mint Condition Franchising, Inc. a North Carolina corporation (“Mint Condition”), and _____ (“Lessee”), and _____ (“Lessor”), with respect to the lease (“Lease”) by Lessor to Lessee of premises located at _____ (the “Approved Location”) for the operation of a Mint Condition Master Franchised Business.

1. **Assignment.** Lessee hereby assigns to Mint Condition all of its rights and interests in and to the Lease; provided, however, that the assignment will become effective only upon Mint Condition’s exercise of the option granted to Mint Condition under Paragraph 3 below. Mint Condition will have the right, in its sole discretion, to exercise the option if either of the two events specified in subparagraphs 1.1 or 1.2 occurs.

1.1 **Default Under Lease.** If Lessee defaults in the performance of any material term of the Lease, Lessor agrees to notify Mint Condition of the default at the same time and in the same manner as it notifies Lessee. Mint Condition will then have thirty (30) days from its receipt of the notice to exercise its option. If Mint Condition does not exercise the option, Lessor may terminate the Lease at the expiration of thirty (30) days from Mint Condition’s receipt of the notice of default. Mint Condition will indemnify Lessor against all losses of rent suffered by Lessor as a result of the delay (beyond any time period required under the terms of the Lease or by applicable state law) in terminating the Lease caused by this subparagraph.

1.2 **Termination of Master Franchise Agreement.** Mint Condition may exercise its option immediately upon the termination of the Master Franchise Agreement.

2. **Consent to Assignment.** This Agreement will remain in effect during the entire term of the Lease and any and all renewals or extensions of the Lease. Lessor agrees that the Lease may not be amended, assigned, extended, renewed or surrendered, nor may the Approved Location, or any part of it, be sublet, nor may the Lease, or any interest in it be assigned or encumbered by Lessee, without the prior written consent of Mint Condition.

3. **Exercise of Option by Mint Condition.** Mint Condition may exercise the option granted in this Agreement by giving written notice to Lessee and Lessor. Lessee must vacate the premises immediately upon receiving the notice.

4. Further Assignment to New Master Franchise Owner. Upon notice to Lessor, Mint Condition shall have the right, concurrently with or subsequent to Mint Condition's exercise of the option granted in this Agreement, and without having to obtain any further consent from Lessor, to assign its rights under the Lease to a new, substitute Master Franchise Owner to operate the Mint Condition's Master Franchise business, as selected by Mint Condition.

5. Attorneys' Fees and Costs. If legal action is necessary to enforce the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable compensation for its preparation, investigation and court costs and reasonable attorneys' fees, as fixed by a court of competent jurisdiction.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for Assignment of Office Lease to be effective as of the date set out in the opening paragraph.

MASTER FRANCHISE OWNER:

By: _____

Its: _____

FRANCHISOR: ("MINT CONDITION")
Mint Condition Franchising, Inc.

By: _____

Its: _____

LESSOR:

By: _____

Its: _____

EXHIBIT D-1

INDIVIDUAL FRANCHISE AGREEMENT TEMPLATE

FRANCHISE AGREEMENT
FOR
[MASTER FRANCHISEE NAME]

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
I. GRANT AND FRANCHISE FEE.....	2
A. Grant of Franchise and Nonexclusive Territory	2
B. Franchise Owner's Initial Franchise Fee.....	2
II. TERM AND RENEWAL	5
A. Term	5
B. Renewal	5
III. MINT CONDITION LOCATION.....	6
A. Operation of Mint Condition Franchised Business.....	6
IV. EQUIPMENT, FIXTURES, FURNITURE AND SIGNS.....	6
A. Specification Standards For Equipment.....	6
V. TRAINING AND ASSISTANCE BY FRANCHISOR	6
A. Training Program	6
B. Post-Opening Training	7
C. Non-Completion of Training by Franchise Owner	7
D. Additional Training Requirements.....	8
VI. PROPRIETARY MARKS	8
A. Franchisor's Ownership of Proprietary Marks.....	8
B. Franchise Owner's Use of Proprietary Marks.....	9
C. Unauthorized Use of Proprietary Marks	9
D. Franchisor's Right to Modify.....	9
E. Franchisor's Right to Inspect Franchise Owner's Business Operations	10
VII. CONFIDENTIALITY OF PROPRIETARY INFORMATION	10
A. Definitions.....	10
B. Non-Disclosure Covenant	11
C. Injunctive Relief Available to Franchisor	11
D. Franchise Owner's Employees Will Not Disclose Proprietary Information.....	12
E. Franchisor's Patent Rights and Copyrights	12
F. Ownership of Newly Developed Products and Services	12
VIII. MODIFICATION OF THE SYSTEM.....	12
IX. ADVERTISING AND MARKETING	13
A. Local Advertising Expenditures.....	13
B. Local Advertising Plan.....	13
C. National Advertising Fees	14

X.	SERVICE FEES.....	14
	A. Royalty Fees.....	14
	B. Definition of Gross Monthly Revenues	14
	C. Interest for Late Payment	15
	D. Customer Service Fees and Franchisor's Right to Apply Franchise Owner Payments.....	15
	E. Accounting Fee and Cash Flow Assistance Plan	16
	F. Business Procurement Fee.....	16
	G. Insurance Fee and Plan	17
	H. Account Replacement Fee	18
XI.	ACCOUNTING, RECORDS AND BUSINESS STRUCTURE.....	18
	A. Bookkeeping, Accounting and Records.....	18
	B. Submission of Financial Statements	18
	C. Franchisor's Right to Audit.....	18
	D. Corporate Franchise Owner	19
XII.	STANDARDS OF QUALITY AND PERFORMANCE	19
	A. Open Mint Condition Franchised Business in a Timely Manner.....	19
	B. Authorized Products and Services.....	20
	C. Approved Manufacturers, Suppliers and Distributors.....	20
	D. Authorized Equipment, Fixtures, and Supplies	20
	E. Specifications, Standards and Operating Procedures	21
	F. Licenses, Permits and Certificates.....	22
	G. Products with the Proprietary Marks	22
	H. Supervision of the Mint Condition Franchised Business.....	22
	I. Inventory and Supplies Prior to Opening	22
	J. Continued Use of Inventory and Supplies.....	22
	K. Use of Advertising and Promotional Activities	23
	L. Notice of Legal Proceedings	23
	M. Return of Keys and other Security Items	23
XIII.	OBLIGATIONS OF FRANCHISOR: SUPERVISION, ASSISTANCE OR SERVICES.....	23
	A. Delegation of Duties	23
	B. Training and Pre-Opening Assistance.....	24
	C. Approval of Site Location, Lease Agreement and Leasehold Improvements.....	25
	D. Operations Manual.....	25
	E. Continuing Assistance	25
	F. Advertising and Promotion.....	25
	G. Suppliers.....	26
	H. Initial Business Program	26
	I. Account Replacement Program	27
	J. Billing Services	29
	K. Modification of Standards.....	29
	L. Contact Customers Regularly.....	29

XIV.	INSURANCE.....	30
	A. Overall Insurance Coverage Required	30
	B. Qualified Insurance Carrier	30
	C. No Limitations on Coverage	31
	D. Evidence of Coverage	31
	E. Franchisor May Procure Insurance Coverage	31
	F. Certificate of Insurance.....	31
XV.	TERMINATION OF FRANCHISE	31
	A. By Franchise Owner.....	31
	B. By Franchisor	32
	C. Termination of Franchise — Without Cure	32
	D. Termination by Franchisor — Immediately and Without Notice	33
XVI.	FRANCHISE OWNER’S OBLIGATIONS UPON TERMINATION OR EXPIRATION.....	34
	A. Payment of Monies Owed to Franchisor.....	34
	B. Return of Manual and Other Materials	34
	C. Cancellation of Assumed Names, Transfer of Phone Numbers.....	34
	D. Cease Using Proprietary Marks	35
	E. Cease Operating the Mint Condition Franchised Business	35
	F. No Confusion with Proprietary Marks	35
	G. Franchisor’s Purchase of Inventory and Equipment.....	35
	H. Modification of Premises	36
XVII.	COVENANTS	36
	A. Franchise Owner Receives Confidential Information.....	36
	B. No Diversion of Business.....	36
	C. Covenant Not to Compete	37
	D. Exception to Covenant Not to Compete	37
	E. Covenants are Independent.....	37
	F. Claims Are Not Defense to Covenants	38
	G. Injunctive Relief Available to Franchisor and MCF.....	38
	H. Operation of the Mint Condition Franchised Business.....	38
XVIII.	ASSIGNMENT	38
	A. Assignment by Franchisor	38
	B. Assignment by Franchise Owner	38
	C. Franchisor’s Right of First Refusal	40
	D. Transfer Upon Death or Mental Incapacity	40
XIX.	OPERATION IN THE EVENT OF ABSENCE, INCAPACITY OR DEATH	40
XX.	INDEPENDENT OWNER AND INDEMNIFICATION	41
	A. No Fiduciary Relationship	41
	B. Franchise Owner is an Independent Owner	41

XXI. WAIVER.....	41
XXII. ENFORCEMENT	41
A. Judicial Enforcement, Injunction and Specific Performance.....	41
B. Severability and Substitution of Valid Provisions	42
C. Franchise Owner May Not Withhold Payments Due Franchisor.....	42
D. Rights of Parties Are Cumulative	42
E. Governing Law	42
F. Binding Effect.....	42
G. Construction.....	43
H. Attorney Fees	43
I. Modification	43
J. Venue.....	43
XXIII. INDEMNIFICATION.....	43
XXIV. TAXES, PERMITS AND INDEBTEDNESS	44
A. Franchise Owner Must Pay Taxes Promptly.....	44
B. Franchise Owner Can Contest Tax Assessments	44
C. Franchise Owner Must Comply With Laws.....	44
D. Franchise Owner Must Notify Franchisor of Lawsuits.....	45
XXV. RESTRICTIONS ON GOODS AND SERVICES OFFERED BY FRANCHISE OWNER.....	45
XXVI. NOTICES.....	45
XXVII.VARYING STANDARDS	45
XXVIII.AUTHORITY.....	46
XXIX. SPECIAL REPRESENTATIONS	46
XXX. RELATIONSHIP WITH MCF	47
EXHIBIT A NONEXCLUSIVE TERRITORY AND FRANCHISED BUSINESS LOCATION	48
EXHIBIT B INITIAL BUSINESS PLAN	49
EXHIBIT C PROMISSORY NOTE.....	50
EXHIBIT D UNIFORM / ADMINISTRATION PACKAGE #1.....	53
EXHIBIT E GUARANTEE.....	54

{INSERT; Master Franchise Entity Name}

FRANCHISE AGREEMENT

Franchise Owner(s) Name _____

Street _____

City _____ State _____ Zip _____

Effective Date of Agreement: _____

THIS FRANCHISE AGREEMENT ("Agreement") is made by and between {Master Franchise Entity Name}, hereinafter known as "Franchisor" and the persons listed above and referenced to herein individually or collectively as "Franchise Owner", to evidence the agreement and understandings between the parties as follows:

WHEREAS, Mint Condition Franchising, Inc. ("MCF"), under its trade names, trademarks, logos and service marks (the "Proprietary Marks") has developed expertise (including confidential information) and a unique and comprehensive system (the "System") for the promotion and identification of the mark "Mint Condition" for the sale of products and services within nonexclusive territories (the "Mint Condition Franchised Business" or the "Franchised Business"); and

WHEREAS, MCF has developed, operates and licenses a system or business program, including know-how for operating the Franchisor's System under the registered mark "Mint Condition"; and

WHEREAS, MCF has developed a uniform System for the establishment and operation of Mint Condition Franchised Businesses including, unique techniques, materials for preparation and other related benefits for use by Franchise Owner under the Proprietary Marks; and

WHEREAS, MCF has licensed to Franchisor as a master franchisee the right to franchise to individual Franchise Owners within an agreed territory; and

WHEREAS, Franchisor has established substantial goodwill and business value in its use of the Proprietary Marks, expertise and System within its assigned territory; and

WHEREAS, Franchise Owner recognizes the benefits to be derived from being identified with and licensed by Franchisor; and

WHEREAS, Franchise Owner recognizes the benefits to be derived from being identified with and licensed by Franchisor; and

WHEREAS, Franchise Owner desires to obtain a franchise from Franchisor for the right to use the Proprietary Marks and the expertise for operating a Mint Condition Franchised Business and to obtain the benefits and knowledge of Franchisor's System including, without limitation, operating methods, advertising, signs, control systems, and in general a style, method and procedure of business operation utilizing the Proprietary Marks as a Franchise Owner of Mint Condition.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND COVENANTS SET FORTH, SUBJECT TO THE TERMS AND CONDITIONS HEREOF, THE PARTIES AGREE AS FOLLOWS:

I. GRANT AND FRANCHISE FEE

A. Grant of Franchise and Nonexclusive Territory

1. Grant of Franchise

Franchisor hereby grants to Franchise Owner and Franchise Owner hereby accepts a franchise under the terms and conditions as set forth herein for the right to operate a Mint Condition Franchised Business within a nonexclusive territory described in Exhibit "A" (the "Nonexclusive Territory"). Franchise Owner may operate a Mint Condition office approved by Franchisor. Franchisor also hereby grants and the Franchise Owner hereby accepts a nonexclusive license to use the Proprietary Marks, its advertising, and merchandising methods, and the Mint Condition System, provided the Franchise Owner shall adhere to the terms and conditions hereof.

1. Nonexclusive Mint Condition Territory

Franchise Owner is hereby granted by Franchisor, a franchise to operate a Mint Condition Franchised Business within the Nonexclusive Territory. Franchise Owner is hereby granted a Nonexclusive Territory, to be delineated by boundaries, streets or highways. Attached to this Agreement is a description of the Nonexclusive Mint Condition Territory in Exhibit "A."

B. Franchise Owner's Initial Franchise Fee

1. Payment of Fee

By executing this Agreement, Franchise Owner agrees to become a Franchise Owner and to pay an Initial Franchise Fee. Franchisor charges a varying Initial

Franchise Fee depending on the Initial Business Plan Franchise Owner purchases (see Exhibit "B"), which is in turn based on the amount of Initial Business Franchise Owner wants Franchisor to offer Franchise Owner. To assist Franchise Owner, Franchisor may finance part of the Initial Franchise Fee. However, if WHEREAS, Franchise Owner desires to obtain a franchise from Franchisor for the right to use Franchise Owner pays the entire Initial Franchise Fee when Franchise Owner signs the Franchise Agreement, Franchisor will reduce the Initial Franchise Fee by ten percent (10%). (For example, if Franchise Owner purchases Plan C and pays fully upon signing, the Initial Franchise Fee will be reduced from \$5,000 to \$4,500). Franchise Owner must pay the amount of the Initial Franchise Fee that is not financed by Franchisor (the "Deposit Amount") when Franchise Owner signs the Franchise Agreement. See Exhibit "C" to this Agreement for the form of Promissory Note that must be signed if Franchise Owner chooses to finance the Initial Franchise Fee. See Exhibit "B" to this Agreement for the details relating to the terms of the Initial Business Plans that Franchisor currently offers.

In addition to Franchise Owner paying the Initial Franchise Fee, Franchise Owner is also responsible for paying all appropriate sales taxes and other taxes. Sales taxes are normally computed in accordance with state and local laws. The Initial Franchise Fee is fully earned, and except as expressly provided elsewhere in this Agreement, is nonrefundable by Franchisor at the time Franchisor executes this Agreement.

2. Refund of a Portion of Initial Franchise Fee

The Initial Franchise Fee for any Initial Business Plan is not refundable and is fully earned by Franchisor when paid, except, however, if Franchisor does not offer Franchise Owner the amount of Gross Monthly Revenues representing the Initial Business within the appropriate Initial Offering Period, then Franchise Owner shall have two options:

- a) Franchise Owner and Franchisor may extend the Initial Offering Period to such time Franchisor and Franchise Owner both agree is appropriate and, depending on the circumstances, Franchisor may increase the amount of the Initial Business to an amount mutually agreed upon; or
- b) Franchisor will credit Franchise Owner's account by an amount equal to one time the monthly amount of Initial Business that Franchisor did not offer Franchise Owner within the Initial Offering Period. Franchisor will apply the credit first against any current, unpaid fees or charges otherwise due Franchisor, and then to any other outstanding balance Franchise Owner owes to Franchisor, including under any Promissory Note, for the Initial Franchise Fee or otherwise. Franchisor will pay any remainder to

Franchise Owner. If Franchisor provides a credit to Franchise Owner in this manner, Franchisor will then have fulfilled its obligation to Franchise Owner regarding the Initial Business.

Example: If Franchise Owner purchased Plan D, financed the Initial Franchise Fee, signed a Promissory Note for \$3,000 and made four monthly payments to Franchisor, and the Franchisor offered only \$1,500 of Initial Business within the Initial Offering Period (120 days from opening Franchise Owner's Franchised Business), a credit is owed to Franchise Owner and would be calculated as follows:

<u>Amount</u>	<u>Description</u>
\$ 2,000	Amount of Initial Business
<u>- 1,500</u>	Amount actually offered
500	Amount of Initial Business not offered
<u>x 1</u>	Multiplied times 1
\$ 500	Total credit (Applied to Balance of Promissory Note)

In addition to the promises and agreements made in this agreement, in consideration for the Initial Franchise Fee, Franchisor: (a) grants Franchise Owner a franchise to operate a Mint Condition Franchised Business; (b) provides Franchise Owner with initial training; (c) provides the Account Replacement Plan for Franchise Owner's Initial Business during the term of the Franchise Agreement; and (d) provides Franchise Owner with the Equipment and Supply Package #1 as described in Exhibit "D" to this Agreement).

3. Location and Opening of the Mint Condition Franchised Business by Franchise Owner

The Franchise Owner may operate the Franchised Business from his or her personal residence, as permitted by local law, or from a commercial location approved by Franchisor. If the Franchise Owner chooses not to operate the Franchised Business from his or her personal residence, or is not permitted by local law or regulation to operate the Franchised Business from his or her personal residence, then Franchise Owner may lease an office location for operation of the Franchised Business. In the event that the Franchise Owner does not commence operating the Mint Condition Franchised Business within the time period set forth in this Agreement, then this Agreement may be terminated by Franchisor, and all installments of the Initial Franchise Fee may be kept by Franchisor as liquidated damages and not as a penalty, to reimburse itself for costs and/or expenses.

If Franchise Owner fails to make any of the payments required under any of the legal instruments executed by Franchisor and Franchise Owner, then this Franchise Agreement and any other agreements executed between Franchisor and

Franchise Owner shall then be declared in breach and this Franchise Agreement may be terminated pursuant to Paragraph XV hereof. Any payments paid by Franchise Owner may be retained by Franchisor as further reimbursement for costs incurred in helping Franchise Owner establish, and equip the Mint Condition Franchised Business. After such termination, neither Franchisor nor Franchise Owner shall have any obligations to the other, except as otherwise provided in this Agreement.

II. TERM AND RENEWAL

A. Term

This Agreement shall be effective and binding from the date of its execution for an initial term equal to ten (10) years from the date of this Agreement, unless earlier terminated pursuant to the provisions hereof.

B. Renewal

Franchisor may, at its option, offer to renew this franchise at the expiration of the initial term of the franchise for up to two (2) additional periods of five (5) years, provided that all of the following conditions have been fulfilled:

1. Franchise Owner delivers to Franchisor written notice of his or her election to renew not less than six (6) months and not more than twelve (12) months prior to the expiration of the then-effective term;
2. Franchise Owner has, during the entire term of this Agreement, substantially complied with all provisions of this Agreement;
3. Franchise Owner maintains possession of the Mint Condition Franchised Business and by the expiration date of this Agreement has brought the Mint Condition Franchised Business into full compliance with the specifications and standards then applicable for opening or renewing the Mint Condition Franchised Business;
4. Franchise Owner has satisfied all monetary obligations owed by Franchise Owner to Franchisor and any of its subsidiaries and affiliates and has timely met these obligations throughout the term of this Agreement;
5. Franchise Owner has executed Franchisor's then-current form of Franchise Agreement (with appropriate modifications to reflect the fact that the said agreement relates to the grant of a renewal franchise), which agreement shall supersede in all respects this Agreement, the terms of which may differ from the terms of this Agreement, including, without limitation, a higher continuing Royalty Fee and/or advertising fee; provided, however, Franchise Owner shall not be required to pay the then-current initial franchise fee, but shall pay the renewal fee of ten percent

(10%) of the then-current Initial Franchise Fee charged by Franchisor in its then-current Franchise Agreement;

6. Franchise Owner has complied with Franchisor then-current qualification and training requirements; and
7. Franchise Owner has executed a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its subsidiaries and affiliates, if any, and their respective Franchised Businesses, directors, agents and employees.

III. MINT CONDITION LOCATION

A. Operation of Mint Condition Franchised Business

Franchise Owner may operate the Mint Condition Franchised Business from his or her personal residence or at a commercial site, but may only operate the Franchised Business at the location approved by Franchisor. If the Franchise Owner chooses to operate the Franchised Business from a commercial site, then if the lease for the site of the Mint Condition Franchised Business expires or terminates without fault of Franchise Owner, or if the site is destroyed, condemned or otherwise rendered unusable, or if in the judgment of Franchisor there is a change in character of the location of the Mint Condition Franchised Business sufficiently detrimental to its business potential to warrant its relocation, Franchisor will grant permission for relocation of the Mint Condition Franchised Business at a location and site acceptable to Franchisor.

IV. EQUIPMENT, FIXTURES, FURNITURE AND SIGNS

A. Specification Standards For Equipment

Franchise Owner shall comply with all specifications for types of equipment, fixtures, furniture and signs used in the Mint Condition Franchised Business as provided in this Agreement.

V. TRAINING AND ASSISTANCE BY FRANCHISOR

A. Training Program

1. Franchisor will provide a training program concerning the operation of the Mint Condition Franchised Business consisting of up to 17 hours of training at the Franchisor's office and/or an existing Franchise Location. The exact days of the training session will be mutually selected by Franchisor and Franchise Owner. Franchise Owner shall attend such training programs at no charge to the Franchise Owner. Franchisor may charge a reasonable tuition in the event that the Franchise Owner sends additional managers or other employees to the training program.

Franchise Owner shall be responsible for any travel, lodging, meals or other costs for itself and other attendee(s) which it sends to the training program at the Franchisor's office, and/or an existing location. Franchisor will pay its own out-of-pocket expenses for training at the Franchise Owner's Franchised Business. Franchise Owner shall attend training sessions. Satisfactory completion of all mandatory training sessions is required. Failure to do so shall result in a breach of this Agreement.

2. Franchisor may conduct additional seminars or other training programs for the benefit of the Franchise Owner, and Franchise Owner (and/or Franchise Owner's employees) may attend any such seminar or training program. Franchisor may charge a reasonable fee for such seminar or program if it is deemed appropriate. Any and all travel, living and other expenses incurred by anyone attending training on behalf of the Franchise Owner shall be paid by Franchise Owner.
3. Franchise Owner may make reasonable requests for training in addition to that specified above, and Franchisor shall, in its discretion, provide such training at Franchise Owner's expense, including, without limitation, any travel, lodging and meals and other related costs. Franchisor may charge a reasonable fee for such additional training, if it is deemed appropriate.
4. Franchise Owner shall complete and shall cause its employees to complete, to Franchisor's satisfaction, such other initial or additional training as Franchisor may reasonably require from time to time.

B. Post-Opening Training

Franchisor will furnish to Franchise Owner, at Franchise Owner's premises and/or the site of Franchise Owner's customer(s) location(s), from its own staff, one of Franchisor's representatives for the purpose of facilitating the opening of Franchise Owner's Franchised Business. During this period, such representative may also assist Franchise Owner in establishing and standardizing procedures and techniques essential to the operation of the Mint Condition Franchised Business and shall assist in training personnel. Should Franchise Owner request additional assistance from Franchisor in order to facilitate the opening of the Mint Condition Franchised Business, and should Franchisor deem it necessary and appropriate, Franchise Owner shall reimburse Franchisor for the expense of Franchisor's personnel and out of pocket expenses, as set forth in the Manual.

C. Non-Completion of Training by Franchise Owner

If Franchisor determines, in its sole discretion, that Franchise Owner is unable to satisfactorily complete the training program described above, Franchisor shall have the right to terminate this Agreement in the manner herein provided. If this Agreement is terminated pursuant to this paragraph, Franchisor shall have the

option of keeping the Initial Franchise Fee as liquidated damages and not as a penalty, to reimburse itself for costs and/or expenses. Further, Franchise Owner agrees to sign an agreement wherein Franchisor shall be fully and forever released from any claims or causes of action the Franchise Owner may have under or pursuant to this Franchise Agreement and Franchise Owner shall have no further right, title or interest in the Proprietary Marks.

D. Additional Training Requirements

Franchisor from time to time may require that previously trained and experienced Franchise Owners and/or their managers or employees attend and successfully complete refresher training programs or seminars to be conducted at Franchisor's training center, or at such other location as designated by Franchisor. Franchise Owner shall be responsible for the costs of such additional training programs or seminars.

VI. PROPRIETARY MARKS

A. Franchisor's Ownership of Proprietary Marks

Franchise Owner acknowledges and agrees that MCF is the owner of the Proprietary Marks and any trade-dress associated with the Proprietary Marks or the Franchised Business, and that MCF has licensed the Proprietary Marks to Franchisor; and Franchise Owner's right to use the Proprietary Marks and the related trade-dress is derived solely from this Agreement as a sublicensee of the Proprietary Marks and is limited to the conduct of the business by Franchise Owner pursuant to and in compliance with this Agreement and all applicable standards, specifications, and operating procedures prescribed by Franchisor from time to time during the term of this Agreement. Any unauthorized use of the Proprietary Marks by Franchise Owner is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Proprietary Marks. Franchise Owner acknowledges and agrees that all usage of the Proprietary Marks by Franchise Owner and any goodwill established by Franchise Owner's use of the Proprietary Marks shall inure to the exclusive benefit of MCF and that this Agreement does not confer any goodwill or other interests in or to the Proprietary Marks upon Franchise Owner. Franchise Owner shall not, at any time during the term of this Agreement, or after its termination or expiration, contest the validity or ownership of any of the Proprietary Marks or assist another person in contesting the validity or ownership of any of the Proprietary Marks. All provisions of this Agreement applicable to the Proprietary Marks apply to any additional trademarks, service marks, and commercial symbols authorized for use by and licensed to Franchise Owner by Franchisor after the date of this Agreement.

B. Franchise Owner's Use of Proprietary Marks

Franchise Owner shall not use "Mint Condition" or any Proprietary Mark as part of any corporate or trade name, or with any prefix, suffix, or other modifying words, terms, designs, or symbols, or in any modified form, nor may Franchise Owner use any Proprietary Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Franchise Owner agrees to give such notices of trademark and service mark registrations as Franchisor specifies and to obtain such fictitious or assumed name registrations as may be required under applicable laws, or as requested by Franchisor. Franchise Owner shall not use any of the Proprietary Marks in any manner which has not been specified or approved by Franchisor prior thereto.

C. Unauthorized Use of Proprietary Marks

Franchise Owner shall immediately notify Franchisor and MCF in writing of any apparent infringement of or challenge to Franchise Owner's use of the Proprietary Marks, which it becomes aware of, and of any claim by any person of any right in the Proprietary Marks or any similar trade name, trademark, or service mark of which Franchise Owner becomes aware. Franchise Owner shall not directly or indirectly communicate with any person other than Franchisor and its counsel in connection with any such infringement, challenge, or claim. MCF as a third party beneficiary to this Agreement, shall have sole discretion to take such action as it deems appropriate and shall have the right to exclusive control of any litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding arising out of such infringement, challenge or claim or otherwise relating to the Proprietary Marks. Franchise Owner agrees to execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Franchisor's or MCF's counsel, be necessary or advisable to protect and maintain the interests of Franchisor in any such litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding or to otherwise protect and maintain the interests of Franchisor in the Proprietary Marks.

D. Franchisor's Right to Modify

If it becomes advisable at any time in MCF's sole discretion, for Franchisor and/or Franchise Owner to modify or discontinue use of the Proprietary Marks, and/or use one or more additional or substitute trade names, trademarks, service marks, or other commercial symbols, Franchise Owner agrees to comply with Franchisor's and MCF's directions within a reasonable time after notice to Franchise Owner by Franchisor, and Franchisor shall have no liability or obligation whatsoever with respect to Franchise Owner's modification or discontinuance of the Proprietary Marks. Franchise Owner agrees that any costs for modifying or changing the Proprietary Marks will be borne by Franchise Owner and such modification or change of Proprietary Marks will be completed

by Franchise Owner within a reasonable period of time after notification by Franchisor.

E. Franchisor's Right to Inspect Franchise Owner's Business Operations

In order to preserve the validity and integrity of the Proprietary Marks and copyrighted materials licensed herein, and to assure that Franchise Owner is properly employing the same in the operation of its Mint Condition Franchised Business, Franchisor or its agents shall have the right of entry and inspection of Franchise Owner's business premises at all reasonable times and, additionally, shall have the right to observe the manner in which Franchise Owner is rendering its products and services and conducting its operations. Franchisor or its agents shall have the right to confer with Franchise Owner's employees and customers, and to inspect equipment and related merchandise, trademarked product lines, if applicable, other merchandise, equipment, supplies or inventory for test of content and evaluation purposes to make certain that the equipment and related merchandise, trademarked product lines, and other merchandise, equipment, supplies, inventory, services and operations are satisfactory and meet the quality control provisions and performance standards established by Franchisor and MCF from time to time.

VII. CONFIDENTIALITY OF PROPRIETARY INFORMATION

A. Definitions

For purposes of this Agreement, the following terms have the following meanings:

"Confidential Information" means valuable, proprietary and/or confidential business information or data including but not limited to "Trade Secrets" (as defined in Paragraph B below). "Confidential Information" also includes any items specifically designated as a Trade Secret in Paragraph B below that are ultimately determined under applicable law not to constitute a "trade secret" but that otherwise meet the definition of Confidential Information. **FRANCHISE OWNER ACKNOWLEDGES THAT THE TERMS OF THIS AGREEMENT AND THE MANUAL ARE CONFIDENTIAL INFORMATION.**

"Trade Secrets" means information, including, but not limited to, confidential business information, technical or non-technical data, formulas, patterns, compilations, programs, marketing plans, business strategies, devices, methods, techniques, drawings, processes, financial data, equipment lists, financial plans, product plans, list of actual or potential customers or suppliers, that: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are

reasonable under the circumstances to maintain its secrecy. To the extent that applicable law mandates a definition of "trade secret" inconsistent with the foregoing definition, then the foregoing definition shall be construed in such a manner as to be consistent with the mandated definition under applicable law.

B. Non-Disclosure Covenant

Franchise Owner acknowledges that he or she may be exposed to certain Confidential Information and Trade Secrets of Franchisor and MCF during the term of the Franchise Agreement, and that his, her or its unauthorized use or disclosure of such information or data could cause immediate and irreparable harm to Franchisor and MCF. Accordingly, except to the extent that it is necessary to use such information or data to perform his or her express obligations under this Agreement, Franchise Owner shall not (and shall take diligent measures to ensure that none of its employees or other personnel shall), without the express prior written consent of Franchisor, publish, disclose, transfer, release or divulge to any other person or entity, or use or modify for use, directly or indirectly in any way for any person or entity:

1. any of the Confidential Information during the term of this Agreement and for a period of two (2) years after the termination of this Agreement; and
2. any of the Trade Secrets at any time during which such information shall constitute a Trade Secret before or after termination of this Agreement. The Parties acknowledge and agree that Franchisor's and MCF's Trade Secrets include, but are not limited to: product marketing and promotional techniques and plans; financial data and plans; customer names and accounts; and any components of the System that fall within the definition of "Trade Secret." **THE PARTIES ACKNOWLEDGE AND AGREE THAT FRANCHISOR'S AND MCF'S CONFIDENTIAL INFORMATION INCLUDES, BUT IS NOT LIMITED TO: THE TERMS AND CONDITIONS OF THIS AGREEMENT; THE CONTENTS OF THE MANUAL (EXCEPT FOR ANY INFORMATION IN THE MANUAL THAT WOULD CONSTITUTE A "TRADE SECRET"); AND ANY COMPONENT OF THE SYSTEM THAT DOES NOT CONSTITUTE A "TRADE SECRET" BUT THAT OTHERWISE MEETS THE DEFINITION OF "CONFIDENTIAL INFORMATION."**

C. Injunctive Relief Available to Franchisor and MCF

Franchise Owner acknowledges that any failure to comply with the requirements of this Paragraph of this Agreement will cause MCF and Franchisor irreparable injury, and Franchisor and/or shall be entitled to obtain specific performance of, or an injunction against any violation of, such requirements. Franchise Owner

agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor or MCF in obtaining specific performance of, or an injunction against, violation of requirements of this Agreement. The foregoing remedies shall be in addition to any other legal or equitable remedies which Franchisor may possess.

D. Franchise Owner's Employees Will Not Disclose Proprietary Information

The Franchise Owner may disclose the Proprietary Information only to such of its employees, agents and representatives as must have access to it in order to operate the Mint Condition Franchised Business. Franchise Owner shall obtain from each such employee, representative or agent, a non-disclosure agreement in the form required by Franchisor.

E. Franchisor's Patent Rights and Copyrights

Franchisor does not own rights in, or to, any patents that are material to the Franchise. However, MCF claims a copyright in the Manual and certain marketing, sales, and operations literature.

F. Ownership of Newly Developed Products and Services

Franchise Owner must fully and promptly disclose to Franchisor all ideas, names, customer accounts, concepts, methods and techniques relating to the development, operation or promotion of his or her Mint Condition Franchised Business, conceived or developed by him or her or by employees during the terms of this Agreement. Franchisor has the perpetual right to use and authorize other Mint Condition Franchised Businesses to use such ideas, names, concepts, methods and techniques and, if incorporated into Franchisor's system for the development, operation or promotion of the Mint Condition Franchised System, such ideas, names, concepts, methods and techniques become the sole and exclusive property of Franchisor without any consideration to Franchise Owner, in as much as they are derivative ideas or products of Franchisor's Proprietary Information.

VIII. MODIFICATION OF THE SYSTEM

Franchise Owner recognizes and agrees that from time to time hereafter MCF may change or modify the System as presently described in the Manual, and as identified by Franchisor's Proprietary Marks, including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new computer programs and systems, new types or brands of merchandise and products, new marketing and operating requirements, new equipment requirements, or new techniques and that Franchise Owner will accept, use and display for the purpose of this Agreement any such changes in the System, as if they were part of this Agreement at the time of execution hereof. Franchise Owner will make such expenditures as such changes or modifications in the System may reasonably require. Franchise Owner shall not change, modify or alter in any way the System, without the prior written consent of Franchisor.

IX. ADVERTISING AND MARKETING

Recognizing the value of advertising and the importance of the standardization of advertising and promotion to the furtherance of the goodwill and the public image of the Mint Condition Franchised Business, Franchise Owner agrees as follows:

A. Local Advertising Expenditures

Franchise Owner shall spend, as a minimum, for local advertising each month an amount of money equal to one percent (1%) of his or her Gross Monthly Revenues. Franchise Owner is also required to join and participate in a Mint Condition Advertising Cooperative (Co-op), which is an association of all other Franchise Owners whose Mint Condition Franchised Businesses are located within his or her Area of Dominant Influence ("ADI"). An ADI is a geographic market design that defines a broadcast media market, consisting of all counties in which the home market stations receive a preponderance of viewing.

One function of the Co-op is to establish a local advertising pool, the funds in which are to be used for Mint Condition advertising only to the mutual benefit of each Co-op member. Franchise Owner shall contribute to the pool in accordance with the rules and regulations of the Co-op, as determined by its members from time to time. Amounts contributed to the advertising pool by a Franchise Owner may be considered as spent for local advertising, and therefore toward meeting the minimum local advertising requirement. In no case, and without regard to local Co-op rules and regulations, may the contribution to the advertising pool be considered more than fifty percent (50%) of the minimum local advertising requirement, the remaining fifty percent (50%) or more of which must be spent by each Franchise Owner to the exclusive benefit of his or her Mint Condition Franchised Business.

The Local Advertising requirement in this Agreement is not in operation as of the date of this Agreement. However, the Franchisor reserves the right to activate the Franchise Owner's Local Advertising requirement and will notify the Franchise Owner in writing of such activation at least thirty (30) days prior to the implementation of such requirement.

B. Local Advertising Plan

Franchise Owner may not advertise the Mint Condition Franchised Business in connection with any other business, except with Franchisor's prior written approval. Franchise Owner shall obtain Franchisor's prior approval of all advertising and promotional plans and materials that Franchise Owner desires to use at least thirty (30) days before the start of any such plans unless such plans and materials have been previously approved by Franchisor. Franchise Owner shall submit such plans and materials to Franchisor by personal delivery or through the mail, "Return Receipt Requested." Franchise Owner shall not use

such plans or materials until they have been approved by Franchisor in writing and shall promptly discontinue use of any advertising or promotional plans and materials upon the request of Franchisor. Any plans or materials submitted by Franchise Owner to Franchisor which have not been approved or disapproved in writing, within thirty (30) days of receipt thereof by Franchisor, shall be deemed disapproved.

C. National Advertising Fees

Franchisor does not require Franchise Owner to participate in a National Advertising Fund at time of the execution of this Agreement. However, Franchisor reserves the right to create a National Advertising Fund by notifying the Franchise Owner with thirty (30) days prior written notice. The details of the National Fund, if created by Franchisor, will be set forth in the Manual and sent to Franchise Owner at that time, and will not exceed four percent (4%) of the Franchise Owner's Gross Monthly Revenues.

X. SERVICE FEES

A. Royalty Fees

In consideration of the franchise granted, Franchise Owner must pay to Franchisor a Royalty Fee of nine percent (9%) of the Gross Monthly Revenues. However, notwithstanding the foregoing, Franchise Owner must pay to the Franchisor a minimum monthly Royalty Fee of \$25 for the first twelve (12) months of operation and \$50 per month for the balance of the term of this Agreement. Franchisor may increase the minimum Royalty Fee annually to match annual increases in the Consumer Price Index. The monthly Royalty Fee is non-refundable and must be paid by the fifteenth (15th) day of each month.

B. Definition of Gross Monthly Revenues

The term "Gross Monthly Revenues", as defined further in the Manual, means all income, whether received by Franchise Owner or paid to another person for Franchise Owner's benefit, for any cleaning or maintenance services, whether for contract services, sales of supplies, equipment or other goods; initial cleans; one-time cleaning services; extra work performed; and any other revenue related to, connected with or derived from the provision of any janitorial, cleaning and maintenance services, whether performed or sold by Franchise Owner or his or her employees, including commercial, industrial, institutional and services, whether or not such services have been provided by the Franchise Owner in connection with the Proprietary Marks.

Cash refunded and credit given to customers will be deducted from Gross Monthly Revenues, but not credits for poor performance or lack of service. The Franchisor handles the billing for the Franchise Owner's services. Payments are sent directly to the Franchisor by the Franchise Owner's customers and then paid

to the Franchise Owner for amounts collected each month by the fifteenth (15th) day of the next calendar month, less any amounts the Franchise Owner may owe the Franchisor or its affiliated corporation for the fees, payments or charges authorized hereunder. The Franchise Owner agrees not to take any action to divert payments from any customer to Franchisor.

C. Interest for Late Payment

All Royalty Fee payments, advertising contributions to the National Fund or an advertising cooperative, if applicable, amounts due for purchases by Franchise Owner from Franchisor and/or its affiliated corporations, and other amounts which Franchise Owner owes to Franchisor and/or its affiliated corporation, not received on or before the applicable due date shall be deemed overdue. If any payment or contribution is overdue, Franchise Owner shall pay to Franchisor immediately upon demand the overdue amount, a late fee of \$25.00, plus interest on the overdue amount from the date it was due until paid, at the rate of ten (10) percent per annum, as permitted by law. The foregoing shall be in addition to any other remedies Franchisor may possess, as permitted by law.

Franchise Owner acknowledges that this paragraph shall not constitute agreement by Franchisor to accept such payments after same are due or a commitment by Franchisor to extend credit to, or otherwise finance Franchise Owner's operation of the Mint Condition Franchised Business. Further, Franchise Owner acknowledges that his or her failure to pay all amounts when due shall constitute grounds for termination of this Agreement, as provided in this Agreement.

D. Customer Service Fees and Franchisor's Right to Apply Franchise Owner Payments

If a customer of Franchise Owner fails to pay any invoices from Franchisor within 30 days from the date of invoice, Franchisor may chargeback the amount of unpaid invoices from any monies owed Franchise Owner by Franchisor. If Franchisor or its affiliates correct work done by Franchise Owner for a customer, as a result of a customer's complaints or, if in Franchisor's discretion, work has been poorly performed by Franchise Owner, Franchisor may charge Franchise Owner its then hourly rate for such corrective work, and may deduct such amounts from funds received from customers by Franchisor. In addition, any costs or fees incurred by Franchisor because a customer ascribes fault to the Franchise Owner, including costs arising from but not limited to re-keying, false alarm penalties, damage claimed by the customer to be caused by the Franchise Owner, may be charged to Franchise Owner by Franchisor.

Notwithstanding any designation by Franchise Owner, Franchisor shall have the sole discretion to apply any payments by Franchise Owner or customers of Franchise Owner to any past due indebtedness of Franchise Owner for Royalty

Fee payments, purchases from Franchisor and any of its affiliates, interest or any other indebtedness.

E. Accounting Fee and Cash Flow Assistance Plan

Franchise Owner must pay the Franchisor eight percent (8%) of its Gross Monthly Revenues accruing to Franchise Owner as an accounting fee and cash flow assistance. The Franchisor has the exclusive right to perform all billing and accounting functions for the services provided by Franchise Owner's Mint Condition Business, unless the Franchisor notifies Franchise Owner otherwise in writing. The Franchisor will invoice all of the customers Franchise Owner services for the costs of services rendered or supplies provided. The Franchisor will then exercise all reasonable efforts to collect monies charged on those customer invoices and pay them to Franchise Owner on a monthly basis, after the Franchisor deducts all of the appropriate fees and charges due to the Franchisor, and its affiliates, if applicable, and to third parties with special credit arrangements made on Franchise Owner's behalf.

The Franchisor provides only those services under the Accounting Fee and Cash Flow Assistance Plan that are described in this Section X(E), and does not provide general bookkeeping, general accounting or tax preparation assistance.

F. Business Procurement Fee

The Franchisor may charge a Business Procurement Fee, if and when the Franchisor decides to offer Franchise Owner any new or additional business or contracts, other than the Initial Business, whether or not the additional business or contracts result from an increase in price for existing customers, an expansion of service for existing customers at the same or other locations, or completely new business. Business Procurement Fees are not refundable. Franchise Owner may accept or reject such offerings at the time they are made to Franchise Owner. Business Procurement Fees are not assessed on the Initial Business the Franchisor offers to Franchise Owner. The Franchisor has no obligation to designate Franchise Owner for additional business or contracts beyond the Initial Business as determined by the Plan purchased by Franchise Owner.

If Franchise Owner is certified by Franchisor to undertake sales activities, and if Franchise Owner procures new accounts without assistance by Franchisor but approved by Franchisor, then no Business Procurement Fee shall be paid by Franchise Owner with respect to these new accounts.

For accounts of less than \$2000 per month in gross revenues that are procured by Franchisor ("Tier 1" accounts), the Business Procurement Fee shall be equal to two times the additional monthly revenue produced by the additional business. For accounts of \$2000 per month in gross revenues or greater that are procured by Franchisor, Franchise Owner may elect to pay a Business Procurement Fee in the

amount of three (3) times the gross monthly revenue produced by these accounts, but shall not be required to pay the Account Replacement Fee described in X(H) for such qualifying accounts ("Tier 2" accounts). If within one year of commencing service to a client of a Tier 2 account the Franchise Owner's service to the client is discontinued by the client for any reason other than dissatisfaction with the services of the Franchisee or dishonesty of the Franchisee, the Franchisor shall replace the account with one or more different accounts with anticipated gross revenues equal to that of the discontinued account.

If at the time of commencing service to a client of an account that qualifies as a Tier 2 account, Franchise Owner does not elect to treat the new account as a Tier 2 account, then the account shall be treated as a Tier 1 account for as long as Franchise Owner services the account.

Upon Franchise Owner's acceptance of any additional business or contracts that are subject to the Business Procurement Fee, Franchise Owner must pay the Franchisor the amount Franchisor assesses as a Business Procurement Fee. Upon acceptance of any additional business or contract the Business Procurement Fee becomes due in full. At Franchisor's option, Franchise Owner shall sign a Business Procurement Fee Promissory Note that will include the Business Procurement Fee calculations. Franchise Owner is deemed to accept a customer if Franchise Owner does so verbally or begins to provide services for that customer.

At the Franchisor's option, Franchise Owner may finance payment of the Business Procurement Fee. If Franchise Owner pays this Fee in one installment, then the Franchisor will give Franchise Owner a ten percent (10%) discount. The terms of the Promissory Note used for financing of the Business Procurement Fee will be in substantially the same form as in Exhibit "C" to this Agreement.

G. Insurance Fee and Plan

Franchise Owner may at its option participate in Franchisor's Insurance Plan. If Franchisor chooses not to participate in Franchisor's Insurance Plan, Franchise Owner must obtain all insurance coverages covered by Franchisor's Insurance Plan as described in the Manual, and must show evidence of all such coverages to Franchisor. If Franchise Owner participates in Franchisor's Insurance Plan, Franchise Owner agrees to pay to the Franchisor an Insurance Plan Fee of four percent (4%) of Franchise Owner's Gross Monthly Revenues.

Franchisor may change the cost and coverages provided by the Insurance Plan or those that it requires that Franchise Owner purchases outside the Insurance Plan. The Franchisor reserves the right to discontinue offering the Insurance Plan to the Franchise Owner upon reasonable notice. The Franchisor will have the right, but not the obligation, to administer the Insurance Plan. Before beginning operation of the Franchise Business, Franchise Owner must obtain insurance naming the

Franchisor and its designated affiliates as “additional insured” parties, in the amounts shown in the Manual.

H. Account Replacement Fee

Franchise Owner agrees to pay the Franchisor an Account Replacement Fee, as described in Section XIII(I) of this Agreement, in the amount of nine (9%) of the Franchised Business’ Gross Monthly Revenues.

XI. ACCOUNTING, RECORDS AND BUSINESS STRUCTURE

A. Bookkeeping, Accounting and Records

Franchise Owner shall maintain during the term or terms of this Agreement, and shall preserve for a minimum of seven (7) years thereafter, full, complete accurate records of all sales, marketing activities, closeout sheets, payroll and accounts payable in accordance with the standard accounting system described by Franchisor in the Manual or otherwise specified in writing.

B. Submission of Financial Statements

Franchise Owner shall, at its expense, submit to Franchisor, within thirty (30) days of the end of each calendar quarter during the term of this Agreement, on forms prescribed by Franchisor, a financial statement, which may be unaudited, for the preceding quarter, including both an income statement and balance sheet. Franchise Owner shall also, at its expense, submit to Franchisor, within sixty (60) days of the end of each fiscal year of the Franchise during the term of this Agreement, a complete financial statement for the said fiscal year, including, without limitation, both an income statement and balance sheet, which may be unaudited, together with such other information in such form as Franchisor may require. Each financial statement shall be signed by Franchise Owner or by Franchise Owner’s Treasurer or Chief Financial Officer, attesting that the statement is true and correct and prepared in accordance with Franchisor’s requirements. Franchise Owner shall also submit to Franchisor its current financial statement and other forms, records, reports, information and data as Franchisor may reasonably designate, in the form, and at the times and the places reasonably required by Franchisor, upon request, and as specified from time to time in the Manual or otherwise specified in writing.

C. Franchisor’s Right to Audit

Franchisor has the right at any time during business hours and without prior notice to examine, compile, review, or audit all business records, financial and otherwise, relating to Franchise Owner’s Mint Condition Franchised Business. Such right to audit shall include the Franchisor’s review of all Franchise Owner’s business operations and procedures. If the audit indicates that the Franchise Owner has under reported its Gross Monthly Revenues by five (5) percent or

more during any month, or Franchise Owner has failed to provide certain supporting records to the Franchisor, then Franchise Owner shall pay the costs of such audit.

D. Corporate Franchise Owner

If Franchise Owner becomes a corporation or a limited liability company, either prior to executing this Agreement, or at any time during the term of this Agreement, the following requirements shall apply:

1. Copies of Franchise Owner's Articles of Incorporation or Articles of Organization, By-laws, Operating Agreement and other governing documents, and any Amendments thereto, including copies of initial Share Certificates and Shareholders' Agreements, if any, and the Resolutions of the Board of Directors authorizing entry into this Agreement as required by Franchisor and set forth in the Manual, shall be promptly furnished to Franchisor;
2. Franchise Owner shall maintain a current list of all owners of record and all beneficial owners of any class of stock of Franchise Owner and shall furnish such list to Franchisor annually; and
3. All shareholders and members of Franchise Owner shall jointly and severally guarantee Franchise Owner's performance hereunder and shall bind themselves to the terms of this Agreement in a form agreed to by Franchisor (Exhibit "E").

XII. STANDARDS OF QUALITY AND PERFORMANCE

Franchise Owner shall comply with the entire System developed by Franchisor including, without limitation, the following:

A. Open Mint Condition Franchised Business in a Timely Manner

Franchise Owner shall commence operation of the Mint Condition Franchised Business not later than ninety (90) days after executing this Agreement. Prior to such opening, Franchise Owner shall have procured all necessary licenses, permits, and approvals and shall have hired and trained personnel, and purchased necessary equipment, and procured a representative inventory as required by Franchisor. If Franchise Owner for any reason fails to commence operations as herein provided, unless Franchise Owner is precluded from doing so by war or civil disturbance or natural disaster, such failure shall be considered a default hereunder and Franchisor may terminate this Agreement as herein provided without any refund of Franchise Owner's Initial Franchise Fee.

B. Authorized Products and Services

The Franchise Owner agrees that he or she will offer for sale and sell at the Mint Condition Franchised Business all types of merchandise, products and services that Franchisor from time to time authorizes. Franchise Owner further agrees that he or she will not offer for sale or sell any other category of merchandise, products or services other than as authorized in the operation of a Mint Condition Franchised Business in full compliance with this Agreement.

C. Approved Manufacturers, Suppliers and Distributors

From time to time, Franchisor shall provide to Franchise Owner, a list of approved manufacturers, suppliers, and distributors for all products and services necessary to operate the Mint Condition Franchised Business. Franchisor may revise the approved list of manufacturers, suppliers and distributors from time to time in its sole discretion. Such approved list shall be submitted to the Franchise Owner as Franchisor deems advisable.

D. Authorized Equipment, Fixtures, and Supplies

All supplies, equipment, materials and related items, forms and other materials used in the operation of the Franchised Business shall conform to the specifications and quality standards established by Franchisor from time to time. Franchise Owner shall purchase all inventory, supplies and other products and materials required for the operation of the Mint Condition Franchised Business solely from suppliers (including manufacturers and distributors) who demonstrate, to the continuing reasonable satisfaction of Franchisor, the ability to meet Franchisor's reasonable standards and specifications for such items; who possess adequate quality control and capacity to meet Franchise Owner's needs properly and reliably; and who have been approved in writing by Franchisor and not thereafter disapproved. Prior to the time Franchise Owner commences the Mint Condition Franchised Business, Franchise Owner is obligated to purchase certain products, supplies and equipment from certain designated suppliers. Once Franchise Owner commences the Mint Condition Franchised Business, Franchise Owner may purchase additional products, supplies or equipment from any approved supplier or vendor. If Franchise Owner desires to purchase any items from an unapproved supplier, Franchise Owner shall submit to Franchisor a written request for approval of such supplies, or shall request supplier to do so. Franchisor's approval shall not be unreasonably withheld. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facility and that samples from the supplier be delivered at Franchisor's option either to Franchisor or to an independent consultant designated by Franchisor for testing. A charge not to exceed the reasonable cost of the inspection and the actual cost of the testing shall be paid by Franchise Owner or the supplier. Franchisor reserves the right, at its option, to reinspect the facilities and products of such approved suppliers, from time to time, and to revoke its approval upon

supplier's failure to continue to meet any of the Franchisor's criteria for standards and specifications. Franchisor shall be entitled upon request, to periodically review inventory reports from the Franchise Owner, including product identification and serial numbers, if applicable, for compliance with the foregoing requirements.

E. Specifications, Standards and Operating Procedures

Franchise Owner agrees to fully comply with all mandatory specifications, standards, operating procedures and rules as in effect from time to time relating to:

1. The safety, maintenance, cleanliness, function and appearance of the Mint Condition Franchised Business and its equipment, fixtures, furniture, decor and signs and maintenance thereof;
2. Procedures regarding purchasing of any trademarked product lines or copyrighted materials and other inventory items;
3. Procedures and techniques regarding merchandising activities;
4. Training, dress, general appearance and demeanor of the Mint Condition Franchised Business employees;
5. Hours during which the Mint Condition Franchised Business will be attended and open for business;
6. Advertising and promotional programs;
7. Use and retention of standard forms;
8. Type, quantity and variety of equipment, trademarked product lines and copyrighted materials and inventory items;
9. Use and illumination of signs, posters, displays and similar items;
10. Identification of Franchise Owner as the owner of the Mint Condition Franchised Business; and
11. The handling of customer complaints.

Mandatory specifications, standards, operating procedures and techniques and other rules prescribed from time to time by Franchisor in the Manual or otherwise communicated to Franchise Owner in writing, shall constitute provisions of this Agreement, as if fully set forth herein. All references herein to this Agreement shall include all such mandatory specifications, standards and operating procedures and rules.

F. Licenses, Permits and Certificates

Franchise Owner shall secure and maintain in force all required licenses, permits and certificates relating to the operation of the Mint Condition Franchised Business and shall operate the Mint Condition Franchised Business in full compliance with all applicable laws, ordinances and regulations, including, without limitation, all government regulations relating to occupational hazards and health, consumer protection, equal opportunities, trade regulation, worker's compensation, unemployment insurance, withholding and payment of federal and state income taxes and social security taxes and sales, use and property taxes.

G. Products with the Proprietary Marks

Franchise Owner shall in the operation of the Mint Condition Franchised Business only display, and use, and only in accordance with the Franchisor's use requirements, labels, forms and other paper products imprinted with the Proprietary Marks and colors as may be prescribed from time to time by Franchisor.

H. Supervision of the Mint Condition Franchised Business

The Franchise Owner will devote a majority of his or her time and efforts to the management and operation of the Franchised Business. In addition, the Franchise Owner must have a fully trained manager operate the Franchised Business at all times when the Franchise Owner is not personally managing and operating the Mint Condition Franchised Business. Franchise Owner shall keep Franchisor informed at all times of the identity of any employee(s) acting as manager(s) of the Mint Condition Franchised Business and all other employees of Franchise Owner. Franchisor shall make training available, as is reasonable and necessary, for all managers designated by Franchise Owner. Franchisor may provide such training at the then-current rates charged by Franchisor. Franchise Owner agrees that he or she will at all times faithfully, honestly and diligently perform his or her obligations hereunder and that he or she will not engage in any business or other activities that will conflict with his or her obligations hereunder.

I. Inventory and Supplies Prior to Opening

Prior to commencement of operation of the Mint Condition Franchised Business, Franchise Owner shall adequately supply the Mint Condition Franchised Business with representative equipment, fixtures, signs, and inventory as prescribed by Franchisor, and any other items of the type, quantity and quality as specified by Franchisor in the Manual.

J. Continued Use of Inventory and Supplies

Franchise Owner agrees that the Franchised Business shall at all times maintain an adequate inventory of all products and services required by Franchisor.

K. Use of Advertising and Promotional Activities

All advertising and promotional activities that Franchise Owner conducts in any medium shall be conducted in a dignified manner and shall accurately promote, describe and otherwise represent the products and services of the Mint Condition Franchised Business and shall have been approved by the Franchisor prior to their use by Franchise Owner. Franchise Owner agrees to refrain from any advertising or promotional practice which is unethical or may be injurious to the business or reputation of Franchisor or the goodwill associated with the Proprietary Marks.

L. Notice of Legal Proceedings

Franchise Owner shall notify Franchisor in writing within five (5) days of the commencement of, or the threatening of, any action, suit, or proceeding, or of the issuance of, or threatened issuance of, any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition or reputation of the Mint Condition Franchised Business.

M. Return of Keys and Other Security Items

Franchise Owner shall be responsible for safeguarding keys, fobs and/or security cards to each customer's premises. If any of the keys, fobs or security cards are lost, the Franchise Owner shall be responsible for any costs or liabilities or damages arising from such loss. If a customer's services are cancelled for any reason Franchise Owner shall return all keys, fobs and/or security cards immediately upon request of the Mint Condition office. Failure to do so shall constitute a breach of this Agreement by the Franchise Owner and Franchise Owner shall pay Franchisor \$100 per day for each day until all such items are returned to Mint Condition. If the customer's premises have to be re-keyed the cost shall be the responsibility of the Franchise Owner.

XIII. OBLIGATIONS OF FRANCHISOR: SUPERVISION, ASSISTANCE OR SERVICES

Franchisor shall provide the Franchise Owner with the following assistance and services:

A. Delegation of Duties

Franchise Owner understands and agrees that Franchisor may delegate and assign any or all of its responsibilities specified in or undertaken pursuant to this Agreement to qualified third parties.

B. Training and Pre-Opening Assistance

1. Franchisor will provide a training program concerning the operation of the Mint Condition Franchised Business consisting of up to nine (9) hours of training at the Franchisor's Office and/or an existing Franchised Business, and up to eight (8) hours at the Franchise Owner's Mint Condition Franchised Business and/or the site of Franchise Owner's customer (s) locations. The exact days of the training program will be mutually selected by the Franchisor and Franchise Owner. Franchise Owner will attend such training program at no charge to the Franchise Owner. Franchise Owner will be responsible for any travel, lodging, meals or other costs for the attendee(s) of the training program at the Mint Condition Home Franchised Business, and/or an existing location. Franchisor will pay its own out-of-pocket expenses for training at the Franchise Owner's Franchised Business and/or its customer site. Franchise Owner must attend the training sessions. Satisfactory completion of all mandatory training sessions is required. Failure to do so may result in a breach of this Agreement and termination hereof.
2. Franchisor may conduct additional seminars or other training programs for the benefit of the Franchise Owner, and Franchise Owner (and/or Franchise Owner's employees) shall attend any such seminar or program. Franchisor may charge a reasonable fee for such seminar or program if it is deemed appropriate. Any and all travel, living and other expenses incurred by designated persons attending training shall be paid by Franchise Owner.
3. Franchise Owner may make reasonable requests for training in addition to that specified above, and Franchisor shall, in its sole discretion, provide such training at Franchise Owner's expense, including, without limitation, any travel, lodging and meals and other related costs. Franchisor may charge a reasonable fee for such additional training, if such additional training is provided.
4. Franchise Owner shall complete and shall cause its employees to complete, to Franchisor's satisfaction, such other initial or additional training as Franchisor may reasonably require from time to time.
5. Franchise Owner may not open his or her Mint Condition Franchised Business for business without Franchisor's prior written approval and only after Franchise Owner has completed his or her initial training to Franchisor's satisfaction and only after compliance with Franchisor's other pre-opening requirements.
6. Franchisor may assist Franchise Owner with the purchase of the initial inventory for the Franchised Business.

C. Approval of Site Location, Lease Agreement and Leasehold Improvements

If the Franchise Owner chooses not to operate the Franchised Business from his or her personal residence, then the Franchise Owner has sole responsibility in tentatively selecting a site. Franchisor shall then review and approve the Franchise Owner's site selection.

D. Operations Manual

Franchisor shall loan to Franchise Owner one copy of the Manual, containing mandatory and suggested specifications, standards and operating procedures prescribed from time to time by Franchisor, and information relative to other obligations of a Franchise Owner, and to the operation of a Mint Condition Franchised Business. The Manual will remain confidential and the property of Franchisor, constitutes a Trade Secret of Franchisor, and may not be loaned out, duplicated, or copied in whole or in part in any manner. Franchisor will have the right to add to and otherwise modify the Manual from time to time, as it deems necessary, provided that no such addition or modification will alter the Franchise Owner's fundamental status and rights under this Agreement. The Franchise Owner must always follow the directives of the Manual, as may be modified by Franchisor from time to time. Franchise Owner acknowledges that such compliance by Franchise Owner is necessary to protect the integrity and reputation of the System.

E. Continuing Assistance

In addition to the assistance rendered the Franchise Owner prior to opening, Franchisor will provide continuing consultation and advice regarding that business, including, but not limited to operational, sales and marketing matters, type of products and services offered and operation of the Mint Condition Franchised Business, all as may be applicable to the Franchise Owner's Mint Condition Franchised Business. Franchisor will provide such assistance by telephone, or if the situation warrants, through on-site assistance of appropriate personnel of Franchisor.

F. Advertising and Promotion

1. Franchisor may develop and provide creative materials for local and regional advertising and make such advertising materials available to its Franchise Owners for publication or distribution in the Franchise Owner's Nonexclusive Territory at Franchise Owner's own expense.
2. Franchisor may provide specific guidelines for advertising initiated by individual Franchise Owners and shall reserve the right to disapprove any advertising which, in Franchisor's opinion, is not in accordance with these guidelines.

3. Immediately upon notification to do so, Franchise Owner shall discontinue any advertising that would, in Franchisor's opinion, be detrimental to Franchisor's operation, reputation or otherwise.

G. Suppliers

Franchisor may assist Franchise Owner in selecting suppliers for the supplies and services offered by Franchise Owner to its customers. Franchisor will not limit the suppliers from which such items may be purchased, so long as such items comply with the standards of quality and specifications discussed in Franchisor's Manual, bulletins or other written communication and have been approved by Franchisor prior to their use. In certain circumstances Franchisor may designate exclusive suppliers for certain products or services and Franchise Owner shall purchase such products or services exclusively from said suppliers.

H. Initial Business Program

1. Franchisor will offer Franchise Owner signed contracts for janitorial services within the Franchise Owner's Nonexclusive Territory that will provide the minimum Gross Monthly Revenues (the "Initial Business") for the Initial Business Plan that Franchise Owner purchases pursuant to this Agreement (see Exhibit "B" for Initial Business Plans). If Franchisor fails to offer the applicable Initial Business within the applicable Initial Offering Period, and if the Franchise Owner and Franchisor do not agree to an extension of the Initial Offering Period, Franchise Owner's remedies and Franchisor's obligations shall be expressly limited to a refund of a portion of the Initial Franchise Fee in accordance with the terms of Section I.B.2. of this Agreement.
2. Franchisor shall have the entire Initial Offering Period (see Exhibit "B" for Initial Offering Period) to offer Franchise Owner the Initial Business under such Plan. The Franchisor will make a good faith effort to secure and offer customers to Franchise Owner as soon as possible after execution of this Agreement. However, the Franchisor is not obligated to offer any portion of the Initial Business prior to the end of the Initial Offering Period. The Initial Offering Period may be extended upon mutual agreement between the Franchisor and Franchise Owner. The Franchisor agrees to secure and offer Franchise Owner the opportunity to service signed commercial cleaning and/or maintenance contracts that in total would provide a minimum in Gross Monthly Revenues in an amount defined as the Initial Business. The Franchisor agrees to secure and offer these contracts to Franchise Owner within the number of days set forth in the Initial Offering Period. The Initial Offering Period begins when Franchise Owner has obtained all required equipment and supplies and has satisfactorily completed training.

3. All customers that Franchisor offers Franchise Owner will apply towards the minimum amount of Initial Business, whether or not Franchise Owner accepts or declines the business offered. Additional business from existing customers that Franchise Owner services during the Initial Offering Period also counts towards fulfilling the amount of Initial Business the Franchisor offers.
4. At the Franchisor's sole discretion, it may automatically extend the time of the Initial Offering Period if Franchise Owner is in default of the Franchise Agreement, upon a transfer or cancellation of contracts previously included in the Initial Business due to Franchise Owner's non-performance with a customer, or if Franchise Owner fails to comply with the Franchisor's policies or procedures.
5. All customers that Franchisor offers to Franchise Owner apply toward the Initial Business, whether or not Franchise Owner accepts or declines them. The Franchisor's only obligation is to secure and offer such customers to Franchise Owner within the specified time. Franchisor can only make a good faith effort to offer the amount of business for the Initial Business Plan specified, and Franchise Owner must choose to accept or decline the "offer". If Franchise Owner declines an offer of a customer, or if a customer thereafter cancels its contract due to poor performance or other act or failure of Franchise Owner, Franchisor is relieved of its obligation for that amount of Franchise Owner's Initial Business.
6. Franchisor will not replace a customer's contract if a customer cancels a contract due to poor performance, Franchise Owner's alleged theft or other act, Franchise Owner's failure to service such customer properly or Franchise Owner's failure to comply with the Franchisor's policies and procedures.

I. Account Replacement Program

1. Subject to the proceeding limitations, the Franchisor shall provide to Franchise Owner an Account Replacement Program. The Account Replacement Program provides replacement contracts equal to the monthly billings of lost accounts, if the account is lost through no fault of the Franchise Owner, as determined by the Franchisor in its sole discretion. The Franchisor has created the Account Replacement Program to protect Franchise Owner's franchise investment for the Initial Business and additional business, and is mandatory for all Initial Business. Contracts for janitorial services may be lost from time to time due to no fault of Franchise Owners. If such an event occurs, the Franchisor will replace the contract at any time during the ten (10) year term of this Agreement; except that with respect to qualifying Tier 2 accounts, as described in Section X (F), the Franchisor will only replace the contract if

the new account is lost within one year of the date that Franchise Owner commences servicing the account. In any event a reasonable amount of time will be needed in order for the Franchisor to replace this contract with a new contract of equal or greater value. Franchise Owner agrees to follow the procedures of the Account Replacement Program as set forth in the Manual, from time to time.

The Franchise Owner may seek additional business and new accounts only after certification by the Franchisor. Once the Franchise Owner has been so certified, the Franchise Owner may participate in the Account Replacement Program at his or her option for any accounts secured independently by Franchise Owner. The option the Franchise Owner chooses will pertain to all business they obtain through their own efforts.

Franchise Owner's participation in the Account Replacement Program is mandatory for any additional business offered by Franchisor and accepted by Franchise Owner, except that Franchise Owner shall not be required to pay the nine percent (9%) fees for participation in the program for any additional business accounts that qualify as Tier 2 accounts as described in Section X(F).

2. If the Franchisor is unable to obtain an account of equal or greater value to replace an account that is covered by the Account Replacement Program, then a refund will be due to Franchise Owner. The refund will be based on a rate of one times the monthly billing of the account that was lost. This will be multiplied by the percentage of the time remaining during the Franchise Agreement.

For Example:

If a \$500 account is lost and qualifies for replacement under the Account Replacement Program, and no replacement account is available, and Franchise Owner has been maintaining the account for three (3) full years, and the account is lost during the fourth year, then the amount of the refund shall be calculated as follows:

\$500 x 70% = \$350 refund

<u>Completed Years</u>	<u>% of Refund</u>	<u>Completed Years</u>	<u>% of Refund</u>
1	90%	6	40%
2	80%	7	30%
3	70%	8	20%
4	60%	9	10%
5	50%	10	0%

J. Billing Services

The Franchisor shall provide billing services for the janitorial and other approved services Franchise Owner provides its customers. The Franchisor will collect these monies from Franchise Owner's customers, pay the amounts of money owed to the Franchisor, and its affiliates if applicable, and then pay to Franchise Owner the amount he or she is owed on a monthly basis.

K. Modification of Standards

The Franchisor agrees that it will issue, modify and supplement its standards for Mint Condition Franchised Business, from time to time. The Franchisor may periodically modify them, which may accommodate regional or local variations as it determines, in its sole discretion, and these modifications may require the Franchise Owner to invest additional capital in the Mint Condition Business and/or incur higher operating costs. Franchise Owner agrees to make such modification on a timely basis as they may be required.

L. Contact Customers Regularly

The Franchisor will contact customers on a routine basis, either by telephone or in person. An Inspection Report will be filled out by a staff member of the Franchisor. This will allow the Franchise Owner the opportunity to obtain direct feedback from its customers regarding the maintenance and servicing of their building.

XIV. INSURANCE

A. Overall Insurance Coverage Required

Franchise Owner must procure, prior to opening the Mint Condition Franchised Business, and shall maintain in full force and effect during the term of this Agreement, at Franchise Owner's expense, an insurance policy or policies protecting Franchise Owner, Franchisor, and its designated affiliates, directors, agents and employees against any loss, liability, personal injury, death, property damage, or expense whatsoever arising from or occurring upon or in connection with operating the Mint Condition Franchised Business. Franchisor and its designated affiliates must be named as an additional insured on all such policies. Franchise Owner may meet some of the insurance requirements set forth in this Agreement and the Manual by participating in the Franchisor's Insurance Plan, as noted in this Agreement. Franchise Owner must secure on his own all other insurance requirements of Franchisor, as set forth in this Agreement.

B. Qualified Insurance Carrier

All insurance policies required under this Agreement shall be written by an insurance company satisfactory to Franchisor, naming Franchisor and its designated affiliates as "additional insured" parties in accordance with standards and specifications set forth in the Manual, this Agreement or otherwise specified by the Franchisor in writing, and shall include, at a minimum (except as additional coverage and higher policy limits may reasonably be specified from time to time by Franchisor), the limits set forth in the Manual for the following categories of required insurance:

1. Comprehensive general liability insurance including, but not limited to, product liability coverage, personal injury coverage;
2. Motor Vehicle Liability for owned, hired, and non-owned automobiles;
3. Property damage liability insurance covering at a minimum the perils of fire and extended coverage and vandalism;
4. Workmen's Compensation insurance as prescribed by state law;
5. An Umbrella Policy; and
6. Such other insurance that may be required by Franchisor and/or the statutes or other laws of the state or any local governmental entity in which the Mint Condition Franchised Business is located and/or operated.

C. No Limitations on Coverage

Franchise Owner's obligations to obtain and maintain the foregoing insurance policies in the policy limits set forth in the Manual shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, or by the Insurance Plan, nor shall Franchise Owner's performance of this obligation relieve it of liability under the indemnity provisions set forth in this Agreement. Franchise Owner may maintain such additional insurance as it may consider advisable.

D. Evidence of Coverage

Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, Franchise Owner must promptly submit evidence of satisfactory insurance and proof of payment thereof to Franchisor, together with, upon request, copies of all policies and policy amendments and endorsements. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without giving at least thirty (30) days' prior written notice to Franchisor.

E. Franchisor May Procure Insurance Coverage

Should Franchise Owner, for any reason, fail to procure or maintain the insurance required by this Agreement, as described from time to time by the Manual or otherwise in writing, a breach of this Agreement shall result. Franchisor shall then have the right and authority (but no obligation) to procure such insurance and to charge same to Franchise Owner, which charges, together with a reasonable fee for Franchisor expenses in so acting, shall be payable by Franchise Owner immediately upon notice from Franchisor or may be offset by Franchisor from funds otherwise due to Franchise Owner.

F. Certificate of Insurance

Franchise Owner must submit to Franchisor, at least annually, and otherwise upon request by Franchisor, a copy of the certificate of renewal or other evidence of the renewal, existence or extension of such insurance policies.

XV. TERMINATION OF FRANCHISE

A. By Franchise Owner

If Franchise Owner is in compliance with this Agreement and Franchisor materially breaches this Agreement and fails to cure such breach within thirty (30) days after written notice thereof is delivered to Franchisor, then Franchise Owner may terminate this Agreement and the Franchise effective thirty (30) days after delivery to Franchisor of notice thereof. Any termination of this Agreement and the Franchise by Franchise Owner, without complying with the foregoing

requirements, or for any reason other than a material breach of this Agreement by Franchisor and Franchisor's failure to cure such material breach within thirty (30) days after receipt of written notice thereof, shall be deemed a termination by Franchise Owner without cause.

B. By Franchisor

Franchise Owner acknowledges that the strict performance of all the terms of this Agreement is necessary not only for protection of Franchisor, but also for the protection of Franchise Owner and other Franchise Owners of Franchisor and other Franchise Owners in the Mint Condition System. As a result, Franchise Owner therefore acknowledges and agrees that strict and exact performance by Franchise Owner of each of the covenants and conditions contained in this Agreement is a condition precedent to the continuation of this Agreement. If Franchise Owner shall breach any provision of this Agreement, then Franchisor shall notify Franchise Owner in writing of such breach, specifying its nature and giving Franchise Owner thirty (30) days in which to remedy same. If Franchise Owner shall fail to remedy such breach during said thirty (30) days, then Franchisor can terminate this Agreement and the Franchise effective immediately upon receipt by Franchise Owner of notice of termination.

C. Termination of Franchise — Without Cure

Notwithstanding the foregoing, Franchise Owner shall be deemed to be in breach of this Agreement and Franchisor, at its option, may terminate this Agreement and all rights granted thereunder, without affording Franchise Owner any opportunity to cure the breach, effective immediately upon Franchisor notifying Franchise Owner in writing of such breach, if Franchise Owner does any of the following:

1. Abandons, surrenders, or transfers control of the operation of the Mint Condition Franchised Business or fails to continuously and actively operate the Mint Condition Franchised Business, unless precluded from doing so by damage to the premises of the Mint Condition Franchised Business due to war, act of God, civil disturbance, natural disaster or other events beyond Franchise Owner's reasonable control;
2. Consistently (defined as twice or more in any twelve (12) month period) fails or refuses to submit when due any financial statement, tax return or schedule, or pay when due the Royalty Fees or any other payment or submit any required report due to Franchisor or any other party related to this Franchise;
3. Operates the Mint Condition Franchised Business in a manner that violates any federal, state, or local law, rule, regulation or ordinance;
4. Has made a material misrepresentation on his or her application to own and operate the Franchised Business;

5. Attempts to transfer, assign or subfranchise this Agreement or any rights or obligations under this Agreement without having the prior written consent of Franchisor;
6. Discloses or divulges the contents of the Manual, or any other Confidential Information or Trade Secret provided to Franchise Owner by Franchisor to any third party;
7. Repeatedly fails to substantially comply with any of the requirements imposed by this Agreement, whether or not cured after notice;
8. Engages in any activity which has a material adverse effect on Franchisor and/or the Proprietary Marks and/or engages in any other business at the Franchised Business or within the Territory; or
9. Is convicted of a felony or has pleaded nolo contendere to a felony.
10. If Franchisee, any of its officers, directors, owners or managerial employees engage in conduct that is harmful to the reputation of Franchise Owner or Franchisor, in Franchisor's discretion, or otherwise reflects unfavorably on you or Franchisor including (i) any conduct that shows a disregard for the physical or mental well being of employees, customers, or representatives of the public at large, or (ii) battery, assault, sexual harassment or discrimination, racial harassment or discrimination, alcohol or drug abuse or other forms of unacceptable behavior as determined by Franchisor in its discretion.

D. Termination by Franchisor — Immediately and Without Notice

Notwithstanding the foregoing, Franchise Owner shall be in breach under this Agreement and all rights granted under this Agreement will automatically terminate without notice to Franchise Owner, if Franchise Owner does any of the following:

1. Makes an assignment for the benefit of creditors or an admission of Franchise Owner's inability to pay its obligations as they become due; or
2. Files a voluntary petition in bankruptcy or any pleading seeking any reorganization, arrangement, composition, adjustment, liquidation, dissolution or similar release under any law, or admits or fails to contest the material allegations of any such pleading filed against him, or is adjudicated bankrupt or insolvent, or a receiver is appointed for a substantial part of the assets of the Franchise Owner or the Mint Condition Franchised Business, or the claims of creditors of Franchise Owner or the Mint Condition Franchised Business are abated or subject to moratorium under any laws.

XVI. FRANCHISE OWNER'S OBLIGATIONS UPON TERMINATION OR EXPIRATION

A. Payment of Monies Owed to Franchisor

Franchise Owner shall pay to Franchisor, within fifteen (15) days after the effective date of termination or expiration of this Agreement, any Royalty Fees, payments for inventory, equipment or merchandise, or any other sums owed to Franchisor, or its affiliated corporation, by Franchise Owner, which are then unpaid.

B. Return of Manual and Other Materials

Franchise Owner further agrees that upon termination or expiration of this Agreement, he or she will immediately return to Franchisor all copies of the Manual, training aids and any other materials which have been loaned to Franchise Owner by Franchisor. Franchise Owner must further agree to turn over to Franchisor any other manuals, computer software, customer lists, rolodexes, records, files, instructions, correspondence and brochures, and any and all other Confidential Information and Trade Secrets relating to the operation of the Mint Condition Franchised Business in Franchise Owner's possession, custody or control and all copies thereof (all of which are acknowledged to be Franchisor's sole property), and will retain no copy or record of the foregoing, except only Franchise Owner's copy of this Agreement and any correspondence between the parties hereto, and any other documents which Franchise Owner reasonably needs for compliance with any provision of law. In addition, Franchise Owner must return all materials to Franchisor, including keys, equipment and contracts, and Franchise Owner agrees to pay to Franchisor the amount of One Hundred Dollars (\$100.00) per day if such materials have not been returned as required herein. Franchisor may deduct such liquidated damages from monies that would otherwise be paid to Franchise Owner by Franchisor.

C. Cancellation of Assumed Names, Transfer of Phone Numbers

Franchise Owner further agrees that upon termination or expiration of this Agreement, that Franchise Owner will take such action that may be required to cancel all assumed names or equivalent registrations relating to Franchise Owner's use of any Proprietary Marks and to notify the telephone company and listing agencies of the termination or expiration of Franchise Owner's right to use any telephone number in any classified ad and any other telephone directory listings associated with the Proprietary Marks or with the Mint Condition Franchised Business and to authorize transfer of same to Franchisor. Franchise Owner must acknowledge in writing that as between Franchisor and Franchise Owner, Franchisor has the sole rights, title and interests in all telephone numbers and directory listings associated with any Proprietary Marks or the Mint Condition Franchised Business. Franchise Owner must further authorize

Franchisor, and does hereby appoint Franchisor as its attorney in fact, to direct the telephone company and all listing agencies to transfer the number and listings to Franchisor. Should Franchise Owner fail or refuse to do so, the telephone company and all listing agencies may accept such direction in this Agreement as conclusive evidence of the exclusive rights of Franchisor in such telephone numbers and directory listings and its authority to direct their transfer.

D. Cease Using Proprietary Marks

Franchise Owner further agrees that, upon termination or expiration of this Agreement, Franchise Owner shall immediately and permanently cease to use, by advertising, or any manner whatsoever, any confidential methods, procedures, and techniques associated with Franchisor and the Proprietary Marks and any marks and distinctive forms, slogans, symbols, computer formats, signs, logos or devices associated with the System. In particular, Franchise Owner will cease to use, without limitation, all signs, advertising materials, stationery, forms, and any other articles which display the Proprietary Marks.

E. Cease Operating the Mint Condition Franchised Business

Franchise Owner agrees to immediately cease to operate the Mint Condition Franchised Business under this Agreement, and shall not thereafter, directly or indirectly, represent itself to the public or hold itself out as a present or former Franchise Owner of Franchisor.

F. No Confusion with Proprietary Marks

Franchise Owner agrees, in the event it continues to operate or subsequently begins to operate any other business, after termination or expiration of this Agreement, not to use any reproduction, counterfeit, copy or colorable imitation of the Proprietary Marks, either in connection with such other business or in the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute MCF's exclusive rights in and to the Proprietary Marks, and Franchise Owner further agrees not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor or a former association or connection with Franchisor.

G. Franchisor's Purchase of Inventory and Equipment

Franchisor has the right (but not the duty), to be exercised by notice of intent to do so sent in writing by the Franchisor within thirty (30) days after termination or expiration of this Agreement, to purchase any or all inventory, equipment, supplies, signs, advertising materials and items bearing Franchisor's Proprietary Marks, at fair market value (less the amount of any outstanding liens or encumbrances). If the parties cannot agree on a fair market value within a reasonable time, an independent appraiser shall be designated by Franchisor, and

the appraiser's determination shall be binding. Upon the expiration or termination of this Agreement, no monetary amount is assigned as attributable to any goodwill associated with a Franchise Owner's use of the Proprietary Marks or in connection with the operation of his or her Mint Condition Franchised Business. If Franchisor elects to exercise the option to purchase as herein provided, it will have the right to set off all amounts due from Franchise Owner, and the cost of the appraisal, if any, against any payment thereof.

H. Modification of Premises

Immediately upon termination or expiration of this Agreement for any reason, Franchise Owner shall make such modifications for alterations to the premises of the Mint Condition's Franchised Business operated under this Agreement, as shall be requested by Franchisor.

XVII. COVENANTS

A. Franchise Owner Receives Confidential Information

Franchise Owner specifically acknowledges that pursuant to this Agreement, Franchise Owner will receive valuable training and confidential information, including, without limitation, Confidential Information, Trade Secrets, information regarding promotional, operational, sales, and marketing methods and techniques of Franchisor and the System.

B. No Diversion of Business

During the term of this Agreement and for a period of two (2) years following the expiration or termination of this Agreement, Franchise Owner covenants that it will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, or legal entity:

1. Divert or attempt to divert any business or customers of the Mint Condition Franchised Business with which or with whom Franchise Owner has had contact during the term of this Agreement to any competitor of Franchisor by direct or indirect inducement or otherwise;
2. Do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System or both; or
3. Induce, directly or indirectly, any person who is at that time employed by Franchisor or by any other Franchise Owner of Franchisor, to leave his or her employment thereat.

The provisions of this Paragraph shall apply only in the geographic area encompassing the Nonexclusive Territory and/or lying within a ten-mile radius of the Franchise Owner's Franchised Business.

C. Covenant Not to Compete

Franchise Owner covenants that, except as otherwise approved in writing by Franchisor, Franchise Owner shall not, for a continuous uninterrupted period commencing upon execution of this Agreement, and continuing for one year after expiration or termination of this Agreement, regardless of the reason for such termination or expiration, either directly or indirectly, for himself, or on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, manage, operate, maintain, advise, consult with, invest in, be employed by, or engage in, any retail business specializing, in whole or in part, in (a) a business offering to the public substantially similar products and/or services substantially similar to the products and/or services then being offered by a majority of the Franchisor's Franchised Businesses; or (b) any entity which is granting franchises or licenses to others to operate a location principally offering products or services in a manner substantially similar to Franchisor within a five (5) mile radius of a Mint Condition Franchised Business or; (c) directly or indirectly, for himself, or on behalf of any other person or entity, manage, operate, maintain, advise, consult with, invest in, be employed by, or engage in, any business offering janitorial services within five (5) miles from any Mint Condition customer location, whether or not the Mint Condition customer is an account of Franchisor or any Mint Condition franchisee. The above-noted covenant is not intended to prevent any individual Franchise Owner from being able to procure gainful employment.

D. Exception to Covenant Not to Compete

Paragraph XVII (C) hereof shall not apply to ownership by Franchise Owner of less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly held corporation.

E. Covenants are Independent

The parties agree that each of the foregoing covenants shall be construed to be independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Paragraph of this Agreement is held to be unenforceable or unreasonable by a court or agency having competent jurisdiction in any final decision to which Franchisor is a party, Franchise Owner expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resultant covenant were separately stated in and made a part of this Paragraph of this Agreement.

F. Claims Are Not Defense to Covenants

Franchise Owner expressly agrees that the existence of any claim it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants of this Paragraph of this Agreement. Franchise Owner further agrees that Franchisor shall be entitled to set off from any amount owed by Franchisor to Franchise Owner any loss or damage to Franchisor resulting from Franchise Owner's breach of this Paragraph of this Agreement.

G. Injunctive Relief Available to Franchisor

Franchise Owner acknowledges that any failure to comply with the requirements of this Paragraph of this Agreement will cause Franchisor irreparable injury for which no adequate remedy at law may be available, and Franchise Owner hereby accordingly consents to the issuance by a court of competent jurisdiction of an injunction prohibiting any conduct by Franchise Owner in violation of the terms of this Paragraph of this Agreement. Franchisor may further avail itself of any legal or equitable rights and remedies which it may have under this Agreement or otherwise.

H. Operation of the Mint Condition Franchised Business

Franchise Owner covenants that during the term of this Agreement, Franchise Owner will devote a majority of time, energy and best efforts to the management and operation of the Mint Condition Franchised Business. In addition, the Franchise Owner will have a fully trained manager operate the Mint Condition Franchised Business at all times when the Franchise Owner is not operating the Mint Condition Franchised Business. In the event the Franchise Owner is not an individual, the foregoing requirement shall apply to the majority equity shareholder of the Franchise Owner.

XVIII. ASSIGNMENT

A. Assignment by Franchisor

This Agreement grants Franchisor the right to freely transfer or assign all or part of its rights or obligations under this Agreement to any assignee or other legal successor to the interests of Franchisor without Franchisor's consent.

B. Assignment by Franchise Owner

This Agreement restricts the Franchise Owner's right to assign this Agreement to a third party. Neither this Agreement, nor any of the Franchise Owner's rights or privileges, shall be directly, or indirectly, assigned, transferred, shared, redeemed, subfranchised or divided by operation of law or otherwise, in any manner, without

the prior written consent of Franchisor. In granting any such consent, Franchisor may impose reasonable conditions, including, without limitation, the following:

1. The proposed assignee (or its partners, managers, directors, Franchised Businesses, or controlling shareholders or members, if it is a corporation or partnership or some other form of legal entity) must meet the then-applicable standards of Franchisor;
2. The proposed assignee does not operate, or participate in an entity which operates, a franchise, license, or other business offering services similar to those offered by the Mint Condition Franchised Business; and
3. The execution by the assignee of the then current form of this Agreement, which form may contain provisions which materially alter the rights or obligations of Franchise Owner under this Agreement.

Franchisor shall not charge such assignee an Initial Franchise Fee for the Franchise, but will charge a transfer fee of five percent (5%) of the proposed sales price, or Two Thousand Dollars (\$2,000), whichever is greater. If Franchisor determines that training is required, assignee will attend training at its own expense at Franchisor's training center as required under the then-current Franchise Agreement. Franchisor shall have the right to require Franchise Owner (or its owners) to execute a general release of Franchisor in a form satisfactory to Franchisor's counsel as a condition to its approval of assignment or other transfer of the Franchise.

This Agreement may only be assigned to a partnership, limited liability company or corporation which conducts no business other than operating the Mint Condition Franchised Business, which is actively managed by the Franchise Owner and in which Franchise Owner owns and controls not less than fifty-one percent (51%) of the general partnership or not less than fifty-one percent (51%) of the voting stock of the corporation or other legal entity, provided that all partners, members and/or shareholders shall execute a Guarantee Agreement (Exhibit "E" to this Agreement) undertaking to be bound, jointly and severally, by all provisions of this Agreement and all other agreements with Franchisor, and undertaking to guarantee, jointly and severally, the payment of all sums due or to become due to Franchisor hereunder. All issued and outstanding stock certificates of such corporation shall bear the following legend:

TRANSFER OF THESE SHARES IS SUBJECT TO CERTAIN
RESTRICTIONS CONTAINED IN A FRANCHISE AGREEMENT BETWEEN
_____ AND {INSERT Master Franchise Entity
Name}, DATED _____, 2014~~3~~.

C. Franchisor's Right of First Refusal

If Franchise Owner (or its owners) shall obtain a bona fide written offer to purchase the Mint Condition Franchised Business or such ownership, such offer shall be submitted to Franchisor. For a period of thirty (30) days from the date of Franchisor's receipt of such offer, Franchisor shall have the right, exercisable by written notice to Franchise Owner (or its owners), to purchase the Mint Condition Franchised Business or such ownership, for the price and on the same terms and conditions contained in such offer, provided that Franchisor may substitute cash for any other form of payment proposed in such offer. If Franchisor does not exercise its right of first refusal, the bona fide written offer may be accepted by Franchise Owner (or its owners), but only upon the same terms and conditions proposed to the Franchisor, and subject to the prior written approval of Franchisor, as provided in this Agreement.

D. Transfer Upon Death or Mental Incapacity

Upon the death or mental incapacity of any person with an interest in the Mint Condition Franchised Business, the executor, administrator, or personal representative of that person must transfer his or her interest to a third party approved by Franchisor within three (3) months after death or mental incapacity. These transfers, including, without limitation, transfers by devise or inheritance, will be subject to the same restrictions and conditions as any inter vivos transfer. However, in the case of a transfer by devise or inheritance, if the heirs or beneficiaries of any deceased person are unable to meet the conditions contained in this Agreement, the personal representative of the deceased Franchise Owner shall have a reasonable time, in the sole discretion of the Franchisor, to dispose of the deceased's interest in the Mint Condition Franchised Business which disposition will be subject to all the terms and conditions for transfer contained in this Agreement. If the interest is not disposed of within a reasonable time, in the sole discretion of the Franchisor, Franchisor may terminate this Agreement.

XIX. OPERATION IN THE EVENT OF ABSENCE, INCAPACITY OR DEATH

In order to prevent any interruption of the business of the Mint Condition Franchised Business which would cause harm to said business and thereby depreciate the value thereof, Franchise Owner authorizes Franchisor, in the event that Franchise Owner is absent or incapacitated, or dies and is not, therefore, in the sole judgment of Franchisor, able to operate the Mint Condition Franchised Business hereunder, to operate said business for so long as Franchisor deems necessary and practical, and without waiver of any other rights or remedies Franchisor may have under this Agreement. Provided, however, that in the event that Franchisor should commence to operate the Franchise, Franchisor shall not be obligated to so operate the Franchise for a period of more than ninety (90) days. All monies from the operation of the business during such period of operation by Franchisor shall be kept in a separate account and the expenses of the business, including reasonable compensation and expenses for Franchisor's representatives, shall be charged to said account. If, as herein provided, Franchisor temporarily

operates the Mint Condition Franchised Business, Franchise Owner agrees to indemnify and hold harmless Franchisor and any representative of Franchisor who may act hereunder, from any and all claims arising from the acts and omissions of Franchisor and its representative arising therefrom.

XX. INDEPENDENT OWNER AND INDEMNIFICATION

A. No Fiduciary Relationship

It is understood and agreed by the parties hereto that this Agreement does not establish a fiduciary relationship between them, that the Franchise Owner shall be an independent owner, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

B. Franchise Owner is an Independent Owner

During the term of this Agreement, and any renewals or extensions hereof, Franchise Owner shall hold itself out to the public as an independent owner operating its business pursuant to a Franchise Agreement from Franchisor. Franchise Owner agrees to take such affirmative actions as may be necessary to do so, including, without limitation, exhibiting a public notice of that fact, the content and display of which Franchisor shall have the right to specify from time to time.

XXI. WAIVER

No failure of Franchisor to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Franchise Owner with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with any of the terms herein. Waiver by Franchisor of any particular default or breach by Franchise Owner shall not affect or impair Franchisor's rights with respect to any subsequent default or breach of the same, similar or different nature; nor shall any delay, forbearance, or omission of Franchisor to exercise any power or right arising out of any breach or default by Franchise Owner of any of the terms, provisions, or covenants hereof, affect or impair Franchisor's right to exercise the same; nor shall such constitute a waiver by Franchisor of any succeeding breach by Franchise Owner of any terms, covenants or conditions of this Agreement.

XXII. ENFORCEMENT

A. Judicial Enforcement, Injunction and Specific Performance

Franchisor shall have the right to enforce by judicial process its right to terminate this Agreement for the causes enumerated in this Agreement, to collect any amounts owed to Franchisor for any unpaid Royalty Fees, or other unpaid charges due hereunder, arising out of the business conducted by Franchise Owner

pursuant hereto, and to pursue any rights it may have under any leases, subleases, sales, purchase, or security agreements or other agreements with Franchise Owner. Franchisor shall be entitled without bond to the entry of temporary or permanent injunctions and orders of specific performance enforcing any of the provisions of this Agreement. If Franchisor secures any such injunction or orders of specific performance, Franchise Owner agrees to pay to Franchisor an amount equal to the aggregate costs of obtaining such relief, including, without limitation, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, and other litigation expenses and travel and living expenses, and any damages incurred by Franchisor as a result of the breach of any provision of this Agreement.

B. Severability and Substitution of Valid Provisions

All provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and any partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. If any applicable law or rule requires a greater prior notice of the termination of this Agreement than is required hereunder, or requires the taking of some other action not required hereunder, the prior notice or other action required by such law or rule shall be substituted for the notice or other requirements hereof.

C. Franchise Owner May Not Withhold Payments Due Franchisor

Franchise Owner agrees that he or she will not withhold payments of any Royalty Fees or any other amounts of money owed to Franchisor for any reason on grounds of alleged nonperformance by Franchisor of any obligation hereunder.

D. Rights of Parties Are Cumulative

The rights of Franchisor and Franchise Owner hereunder are cumulative, and the exercise or enforcement by Franchisor or Franchise Owner of any right or remedy hereunder shall not preclude the exercise or enforcement by Franchisor or Franchise Owner of any other right or remedy hereunder which Franchisor or Franchise Owner is entitled by law or equity to enforce.

E. Governing Law

Except to the extent governed by the U.S. Trademark Act of 1946 (Lanham Act, 15 U.S.C., Section 1051 et. seq.) this Agreement shall be governed by the laws of the State of _____.

F. Binding Effect

This Agreement is binding upon the parties hereto and their respective permitted assigns and successors in interest.

G. Construction

This Agreement and other agreements or instruments referred to herein or which relate to the purchase or lease by Franchise Owner from Franchisor of any fixtures, signs, equipment, merchandise, or the like, constitute the entire agreement of the parties, and there are no other oral or written understandings or agreements between Franchisor and Franchise Owner relating to the subject matter of this Agreement. The headings of the several paragraphs and paragraphs hereof are for convenience only and do not define, limit, or construe the contents of those paragraphs. The term "Franchise Owner" as used herein is applicable to one or more persons, a corporation or partnership, or such other form of legal entity as Franchisor shall approve from time to time, as the case may be; the singular usage includes the plural; and the masculine and neuter usages include the other and feminine. References to "Franchise Owner" applicable to an individual or individuals shall mean the principal owner or owners of the equity or operating control of Franchise Owner, if Franchise Owner is a corporation or partnership.

H. Attorney Fees

In the event any legal proceedings between the parties hereto arise under this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and court costs from the other party.

I. Modification

This instrument contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect unless a subsequent modification in writing is signed by the parties hereto.

J. Venue

The parties hereto agree that the terms and provisions of this Agreement are to be interpreted in accordance with and governed by the laws of the State of _____ and the venue for any proceeding relating to the provisions of this Agreement is to be _____ County, State of _____.

XXIII. INDEMNIFICATION

Franchise Owner understands and agrees that nothing in this Agreement authorizes Franchise Owner to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name. Franchise Owner further understands and agrees that MCF and Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action or by reason of any act or omission of

Franchise Owner in its conduct of the Mint Condition Franchised Business, or any claim or judgment arising therefrom against Franchisor. Franchise Owner shall indemnify and hold MCF and Franchisor and Franchisor's Franchised Businesses, directors, shareholders and employees, and agents harmless from and against any and all claims, costs and causes of action, arising directly or indirectly from, as a result of, or in connection with, Franchise Owner's operation of the Mint Condition Franchised Business, its employees or agents, or by reason of any act occurring on or at the premises of its Mint Condition Franchised Business or by reason of an omission relating to the operation of its Mint Condition Franchised Business, as well as the costs, including attorneys' fees and court costs, of defending against same.

XXIV. TAXES, PERMITS AND INDEBTEDNESS

A. Franchise Owner Must Pay Taxes Promptly

Franchise Owner shall promptly pay when due all taxes levied or assessed, including, without limitation, payroll, unemployment and sales taxes, and shall promptly pay when due all accounts and other indebtedness of any kind incurred by Franchise Owner in the conduct of the Mint Condition Franchised Business.

Franchise Owner shall pay Franchisor an amount equal to any sales tax, gross receipts tax or similar tax imposed on Franchisor with respect to any payments to Franchisor required under this Agreement, unless the tax is credited against income tax otherwise payable by Franchisor.

B. Franchise Owner Can Contest Tax Assessments

In the event of any bona fide dispute as to any liability for taxes assessed or other indebtedness, Franchise Owner may contest the validity or the amount of the tax or indebtedness in accordance with the proper procedures of the taxing authority or applicable law; however, in no event shall Franchise Owner permit a tax sale or seizure by levy of execution or similar lien, writ or warrant, or attachment by a creditor to occur against the premises of the Mint Condition Franchised Business or any improvements thereon.

C. Franchise Owner Must Comply With Laws

Franchise Owner shall, at Franchise Owner's expense, comply with all federal, state and local laws, rules, regulations and ordinances and shall timely obtain and shall keep in force as required throughout the term of this Agreement all permits, certificates and licenses necessary for the full and proper conduct of the Mint Condition Franchised Business, including, without limitation, any required permits, licenses to do business, fictitious name filings and registrations, sales tax permits, health inspections and fire clearances.

D. Franchise Owner Must Notify Franchisor of Lawsuits

Franchise Owner shall notify Franchisor in writing within five (5) days of notice of the commencement of or against the threat of any action, suit, or proceeding by or against Franchise Owner, and of the issuance or against the threat of any inquiry, subpoena, order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which arises out of, concerns, or may affect the operation or financial condition of the Mint Condition Franchised Business, including, without limitation, any criminal action or proceedings brought by Franchise Owner against its employees, customers or other persons.

XXV. RESTRICTIONS ON GOODS AND SERVICES OFFERED BY FRANCHISE OWNER

This Agreement provides that the Franchise Owner may not be associated either directly or indirectly with a business competitive with the Mint Condition Franchised Business within a certain geographic area. Further, the Franchise Owner may only provide such products and services at the Mint Condition Franchised Business as are permitted by Franchisor. The Franchise Owner is not limited as to the customers to whom it may sell the products and services authorized by Franchisor.

A Franchise Owner may not: offer for sale at the Mint Condition Franchised Business any products or services not authorized by Franchisor; sell any products from any location other than his or her the Mint Condition Franchised Business; and may not use his or her Mint Condition Franchised Business for any other purpose than the operation of the Mint Condition Franchised Business.

Franchisor, from time to time, may conduct market research and testing to determine the viability of new products and services. A Franchise Owner must cooperate by participating in such programs and by purchasing and promoting the sale of such test products, if required by Franchisor.

No vending machines, newspaper racks, juke boxes, gum, candy, or cigarette machines, games, pinball machines, video games, rides or other mechanical or electronic devices may be installed or operated in the Mint Condition Franchised Business, unless specifically authorized in writing prior to installation by Franchisor.

XXVI. NOTICES

All written notices permitted or required to be delivered by the provisions of this Agreement or of the Manual shall be deemed so delivered three (3) days after placed in the mail, by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal address which the notifying party has on record.

XXVII. VARYING STANDARDS

Because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole and

absolute discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any Franchise based upon the peculiarities of a particular site or circumstance, density of population, business potential, population or trade area, existing business practices, or any other condition which Franchisor deems to be of importance to the successful operation of such Franchise Owner's business. Franchise Owner shall not have any right to complain about a variation from standard specifications and practices granted to any other Franchise Owner and shall not be entitled to require Franchisor to grant to Franchise Owner a like or similar variation.

XXVIII.AUTHORITY

Franchise Owner or, if Franchise Owner is a corporation, limited liability company or partnership, the individuals executing this Agreement on behalf of such corporation, limited liability company or partnership, warrant to Franchisor, both individually and in their capacities as partners or Franchised Businesses, that all the partners in the partnership and all of the shareholders of the corporation, as the case may be, have read and approved this Agreement, including any restrictions which this Agreement places upon their right to transfer their respective interests in the partnership or corporation, or other form of legal entity.

XXIX.SPECIAL REPRESENTATIONS

Franchise Owner (and each partner, member or shareholder if Franchise Owner is a partnership, limited liability company or corporation) hereby represents as follows:

- A. That he or she has conducted an independent investigation of the Mint Condition business and System and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the ability of Franchise Owner as an independent business person. Franchisor expressly disclaims the making of, and Franchise Owner acknowledges that it has not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business contemplated by this Agreement.
- B. Franchise Owner acknowledges having received, read, and understood this Agreement, including all Attachments or Exhibits hereto; and Franchise Owner further acknowledges that Franchisor has accorded Franchise Owner ample time and opportunity to consult with advisors of his/her own choosing about the potential benefits and risks of entering into this Agreement.
- C. Franchise Owner acknowledges that it has been provided a complete copy of this Agreement, with all attachments referred to herein, and agreements relating hereto, if any, at least seven (7) calendar days before Franchise Owner signs this Agreement with, or make a payment to, Franchisor or an affiliate in connection with the proposed franchise; and

- D. Franchise Owner also acknowledges that prior to the date of this Agreement, no other Agreement was entered into, no promises were made by Franchisor, and no funds were offered to or accepted by Franchisor.

XXX. RELATIONSHIP WITH MCF.

Franchise Owner acknowledges that MCF is not a party to this Agreement but that it has certain enforcement and other rights as a third party beneficiary of provisions of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Agreement in triplicate on the day and year first above written.

FRANCHISOR: {INSERT: Master Franchise Entity Name}

By: _____

Its: _____

FRANCHISE OWNER:

By: _____

Its: _____

EXHIBIT A

NONEXCLUSIVE TERRITORY AND FRANCHISED BUSINESS LOCATION

Signature

Print Name

Signature

Print Name

Signature

Print Name

Date

EXHIBIT B**INITIAL BUSINESS PLAN**

Plan	Initial Business	Initial Franchise Fee	Deposit Amount	Amount of Financing	Initial Offering Period	Interest Rate	Terms	24 Month Payments	30 Month Payments	36 Month Payments
A	\$ 500	\$3,000	\$1,000	\$2,000	60 days	10%	24 or 30 mos.	\$92.28	\$75.61	
B	\$1,000	\$4,000	\$1,500	\$2,500	90 days	10%	24 or 30 mos.	\$115.35	\$94.52	
C	\$1,500	\$5,000	\$2,000	\$3,000	120 days	10%	24 or 30 mos.	\$138.42	\$113.42	
D	\$2,000	\$6,000	\$2,500	\$3,500	120 days	10%	24 or 30 mos.	\$161.49	\$132.32	
E	\$3,000	\$8,000	\$3,500	\$4,500	120 days	10%	24 or 30 mos.	\$207.63	\$170.13	
F	\$4,000	\$10,000	\$4,500	\$5,500	150 days	10%	30 or 36 mos.		\$207.94	\$177.45
G	\$5,000	\$12,000	\$6,000	\$6,000	180 days	10%	30 or 36 mos.		\$226.84	\$193.58
H	\$6,000	\$14,000	\$8,000	\$6,000	210 days	10%	30 or 36 mos.		\$226.84	\$193.58
I	\$7,000	\$16,000	\$10,000	\$6,000	240 days	10%	30 or 36 mos.		\$226.84	\$193.58
J	\$8,000	\$18,000	\$11,000	\$7,000	270 days	10%	30 or 36 mos.		\$264.65	\$225.84
K	\$9,000	\$20,000	\$12,000	\$8,000	300 days	10%	30 or 36 mos.		\$302.46	\$258.11
L	\$10,000	\$22,000	\$13,000	\$9,000	330 days	10%	30 or 36 mos.		\$340.26	\$290.37

Initial Plan: _____ hereby chooses Plan ____.

Sign: _____
Franchisee

Sign: _____
Franchisee

Sign: _____
Franchisor

Date: _____

EXHIBIT C

PROMISSORY NOTE

\$ _____
_____,
_____, 20__

FOR VALUE RECEIVED, the undersigned _____, jointly and severally (the "Makers"), promise to pay to the order of {**Master Franchise Entity Name**}, a STATE corporation (the "Holder"), the principal sum of _____ Dollars (\$ _____), together with interest thereon, in lawful currency of the United States, without set-off or deduction, in installments as described below.

1. Payments. Makers shall pay principal and interest in _____ (____) monthly installments of _____ Dollars (\$ _____) each, beginning _____, 20XX, and the entire unpaid balance of _____ Dollars (\$ _____) on _____ 20XX. Interest shall accrue from the date hereof at the rate of _____ percent (____ %) per annum. Payments shall be remitted to Holder at its office in _____ or such other place as Holder may designate in writing. Payments shall continue until the principal amount and all accrued interest is paid in full. Payments shall be applied first against all accrued interest, and then against principal. Pre-payments of principal are permitted, but will not operate to delay or eliminate any regular due date until the entire principal amount is paid in full. Partial prepayment shall be applied to installments due in the reverse order of their maturity.

2. Set-Off. This Note is unsecured. Makers agree that Holder and its affiliates, without waiving any other rights it may have, shall have the right to set-off to withdraw or retain any amounts due and unpaid by Makers from any accounts or amounts otherwise payable to Makers, by Holder or any of its Affiliates.

3. Default. Any of the following shall be an event of default under this Note: (a) failure to make any payments of principal or interest under this Note, as and when due; (b) death, dissolution, or termination of existence of Makers; business failure; appointment of a receiver for any part of any property of Makers; any assignment for the benefit of creditors, or commencement of any proceedings under any bankruptcy or insolvency law by or against Makers.

4. Remedies. Upon the occurrence of any event of default, Holder may, at its option, elect any or all of the following remedies, which shall be cumulative: (a) declare all unpaid installments and any and all monies due or to become due under this Note immediately due and payable; and (b) exercise any and all other rights and remedies permitted to a creditor at law or in equity.

5. General.

A. Makers agree that all liability under this Note is joint and several among them.

B. In no event shall the amount of interest paid hereunder, together with all amounts reserved, charged, or taken by Holder as compensation for fees, services, or expenses incidental to the making, negotiation, or collection of the debt evidenced hereby exceed the maximum amount of interest, if any, on the unpaid principal balance hereof allowable by applicable law. If any sum is collected in excess of any applicable maximum amount, the excess collected shall be applied to reduce the principal debt.

C. No delay or failure by Holder to exercise any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Holder of any right or remedy shall preclude other or future exercises of any other right or remedy.

D. Upon any default by Makers hereunder, Makers agree to pay and Holder shall be entitled to collect all costs and expenses incurred by Holder in exercising any of Holder's rights and remedies including, without limitation, reasonable legal expenses and accepting fees and court costs and expenses.

E. Makers hereby waive presentment, demand and notice of dishonor, and agree to any extension of time of payment of any payment due under this Note.

F. In the event of the death of any of the undersigned individuals, their executors or administrators agree to comply with each and every agreement contained herein.

G. This Note and the documents referred to herein are the entire agreement between the parties with respect to the matters herein. No amendment or modification of this Note shall be effective unless in writing and signed by an authorized representative of each of the parties. This Note shall be governed by and interpreted under the laws of the State of _____. If any provision of this Note is invalid or contrary to law, the remaining provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand and seal, as of the date first set forth above.

_____(SEAL)
Signature

Print Name

Date_____

_____(SEAL)
Signature

Print Name

Date_____

EXHIBIT D**UNIFORM / ADMINISTRATION PACKAGE # 1**

The following list is given to the Franchise Owner at no charge prior to opening the Franchised Business:

<u>Item</u>	<u>Quantity</u>
Business Cards	1 Box
Logo Cobbler Aprons	2
Logo T-Shirts	5
I.D. Badges	2
Training Manuals	1 Set
Executive Pad Holder	1

Franchisee Signature

Franchisee Signature

Date

EXHIBIT E

GUARANTEE AGREEMENT

In consideration of and as an inducement of the execution by **Master Franchise Entity Name**, as Franchisor, of the Franchise Agreement to which this Guarantee is attached (the "Franchise Agreement"), each of the undersigned hereby jointly and severally guarantee the performance and payment by the Franchisee named in the Franchise Agreement, of the obligations of Franchisee under such Franchise Agreement and under any other agreement between Franchisee and Franchisor and/or its affiliates, and any other obligations owing by Franchisee to Franchisor and/or its affiliates (collectively, the "Franchisee Obligations"). Each of the undersigned hereby jointly and severally agrees to be bound by the covenants and provisions of the Franchise Agreement and the Franchisee Obligations relating to Franchisee as though each of the undersigned were the named Franchisee.

The undersigned each hereby consent and agree that Franchisor may at any time, or from time to time, in its discretion renew, extend or change the time of payment, and/or the manner, place or terms of payment or performance of all or any part of the Franchise Obligations all in such manner and upon such terms as Franchisor may deem proper, and without notice to or further assent from any one or more of the undersigned, it being hereby agreed that the undersigned shall each be and remain bound upon this guarantee. The undersigned each hereby waives notice of acceptance of this guarantee, and also presentment, demand, protest and notice of dishonor of any and all of the Franchise Obligations.

The undersigned each further agree that this guarantee shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives and assigns and that this guarantee may be enforced by Franchisor and its successors and assigns.

The obligations of this guarantee are primary, and not secondary, obligations of each of the guarantors, and Franchisor is not required to give notice or demand to Franchisee prior to making demand on either guarantor set forth below. Each guarantor hereby waives notice of any change or amendment to or renewal of the terms of Franchise Agreement and/or the Franchise Obligations and agrees to be bound by the terms of any such change or amendment or renewal thereto.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand and seal this day of _____.

Signature (SEAL)

Print Name

Signature (SEAL)

Print Name

(Please have your signature notarized here:)

EXHIBIT E

AUDITED AND UNAUDITED FINANCIAL STATEMENTS OF FRANCHISOR

EXHIBIT F

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between Mint Condition Franchising, Inc., a North Carolina corporation, (hereinafter referred to as "the Company") and _____, whose address is _____ (hereinafter referred to as "Prospective Master Franchise Owner").

WITNESSETH THAT:

WHEREAS, Prospective Master Franchise Owner desires to obtain certain confidential and proprietary information from the Company for the sole purpose of inspecting and analyzing said information in an effort to determine whether to purchase a franchise from the Company; and

WHEREAS, the Company is willing to provide such information to Prospective Franchise Owner for the limited purpose and under the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree as follows:

1. **DEFINITION.** "Confidential Information" is used herein to mean all information, documentation and devices disclosed to or made available to Prospective Franchise Owner by the Company, whether orally or in writing, as well as any information, documentation or devices heretofore or hereafter produced by Prospective Master Franchise Owner in response to or in reliance on said information, documentation and devices made available by the Company.

2. **TERM.** The parties hereto agree that the restrictions and obligations of Paragraph 3 of this Agreement shall be deemed to have been in effect from the commencement on the _____ day of _____, 20__, of the ongoing negotiations between Prospective Master Franchise Owner and the Company and continue in perpetuity until disclosed by the Company.

3. **TRADE SECRET ACKNOWLEDGEMENT.** Prospective Master Franchise Owner acknowledges and agrees the Confidential Information is a valuable trade secret of the Company and that any disclosure or unauthorized use thereof will cause irreparable harm and loss to the Company.

4. **TREATMENT OF CONFIDENTIAL INFORMATION.** In consideration of the disclosure to Prospective Master Franchise Owner of Confidential Information,

Prospective Master Franchise Owner agrees to treat Confidential Information in confidence and to undertake the following additional obligations with respect thereto:

(a) To use Confidential Information for the sole purpose of inspecting and analyzing the information in an effort to determine whether to purchase a franchise from the Company and solely in its operation of the Company Franchise;

(b) Not to disclose Confidential Information to any third party;

(c) To limit dissemination of Confidential Information to only those of Prospective Franchise Owner's Janitorial Services, directors and employees who have a need to know to perform the limited tasks set forth in Item 4 (a) above; and who have agreed to the terms and obligations of this Agreement by affixing their signatures hereto;

(d) Not to copy Confidential Information or any portions thereof; and

(e) To return Confidential Information and all documents, notes or physical evidence thereof, to the Company upon a determination that Prospective Master Franchise Owner no longer has a need therefore, or a request therefore, from the Company, whichever occurs first.

5. **SURVIVAL OF OBLIGATIONS.** The restrictions and obligations of this Agreement shall survive any expiration, termination or cancellation of this Agreement and shall continue to bind Prospective Franchise Owner, his heirs, successors and assigns in perpetuity.

6. **NEGATION OF LICENSES.** Except as expressly set forth herein, no rights to licenses, expressed or implied, are hereby granted to Prospective Master Franchise Owner as a result of or related to this Agreement.

7. **APPLICABLE LAW.** This Agreement shall be construed and enforced in accordance with the laws of the State of North Carolina.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed.

MINT CONDITION FRANCHISING, INC.

BY: _____
John F. Saumby, President

(Signature of Prospective Master Franchise Owner)

Print Name of Prospective Master Franchise Owner

EXHIBIT G

GUARANTY OF MASTER FRANCHISE OWNER'S UNDERTAKINGS

In consideration of, and as an inducement to, the execution of the foregoing Master Franchise Agreement (the "Agreement") dated the _____ day of _____, _____, by Mint Condition Franchising, Inc., each of the undersigned hereby guarantees jointly and severally unto Mint Condition Franchising, Inc., that _____ ("Master Franchise Owner") will perform during the terms of the Agreement each and every covenant, payment, agreement, and undertaking on the part of Franchise Owner contained and set forth in such Agreement. The undersigned agrees that all provisions of the Master Franchise Agreement relating to the obligations of Master Franchise Owners, including, without limitation, the covenants of confidentiality and non-competition and other covenants set forth in the Agreement, shall be binding on the undersigned.

Mint Condition Franchising, Inc., its successors and assigns, may from time to time, without notice to the undersigned (a) resort to the undersigned for payment of any of the liabilities, whether or not it or its successors have resorted to any property securing any of the liabilities or proceeded against any other of the undersigned or any party primarily or secondarily liable on any of the liabilities, (b) release or compromise any liability of any of the undersigned hereunder or any liability of any party or parties primarily or secondarily liable on any of the liabilities, and (c) extend, renew or credit any of the liabilities for any period (whether or not longer than the original period); alter, amend, or exchange any of the liabilities; or, give any other form of indulgence whether under the Agreement or not.

The undersigned further waives presentment, demand, notice of dishonor, protest, nonpayment, and all other notices whatsoever, including, without limitation: notice of the acceptance hereof; notice of all contracts and commitments; notice of the existence or creation of any liabilities under the foregoing Agreement and of the amount and terms thereof; and notice of all defaults, disputes or controversies between Master Franchise Owner and Mint Condition Franchising, Inc. resulting from such Agreement or otherwise, and the settlement, compromise or adjustment thereof.

The undersigned agrees to pay all expenses paid or incurred by Mint Condition Franchising, Inc. in attempting to enforce the foregoing Agreement and this Guaranty against Master Franchise Owner and against the undersigned and in attempting to collect any amounts due thereunder and hereunder, including reasonable attorneys' fees if such enforcement or collection is by or through an attorney-at-law. Any waiver, extension of time, or other indulgence granted from time to time by Mint Condition Franchising, Inc., its agents, successors or assigns, with respect to the foregoing Agreement, shall in no way modify or amend this Guaranty, which shall be continuing, absolute, unconditional and irrevocable. If more than one person has executed this Guaranty, the term "the

undersigned,” as used herein, shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary as sureties.

IN WITNESS WHEREOF, each of the undersigned has executed this Guaranty effective as of the date of the foregoing Master Franchise Agreement.

Witness

Name of Guarantor

Witness

Name of Guarantor

NOTARY PUBLIC

I, _____, a notary in the State of _____, County of _____, do hereby certify that the foregoing Guaranty of Franchise Owner’s Undertakings was acknowledged before me this _____ day of _____, 20_____, by _____, who is personally known to me or who has produced identification demonstrating his/her identity.

Signature of Person Taking Acknowledgement

My Commission Expires: _____

EXHIBIT H
LIST OF MINT CONDITION FRANCHISED BUSINESSES

I. LIST OF MASTER FRANCHISED BUSINESSES

(As of December 31, 2013)

Gonzalez, Henry E. DMMD Enterprises, LLC 114 N 21 st Street Philadelphia, PA 19103	215-557-0717 Office
Aron, Ted Aron Enterprises, LLC 1000 CentreGreen Way, Suite 200 Cary, NC 27513	919-380-6468 Office
White, Christopher CTW Advisors, LLC Two Ravinia Drive, Suite 500 Atlanta, GA 30346	678-855-7181 Office
Frank, Dan FrankFive Inc. PO Box 388 Emmaus, PA 18049	610-366-0555 Office
Miller, Michael MCCADISON Corporation, Inc. 101 Southeast Pkwy Court, Suite 230 Franklin, TN 37064	615-807-1913 Office
Deck, Amanda & Andy CasIndia Company, LLC 590 Centerville Road #3362148 Embassy Drive Lancaster, PA 176013	717- 682-6866 431-3105 Office
McLeod, Rick & Ann Magellan Ventures, Inc. 1751 Mound Street, Suite 201 Sarasota, FL 34236	941-556-1467 Office
Teal, David & Tammy TADA Company 1200 Woodruff Road, A-3 Greenville, SC 29607	864-527-1263 Office
Jennings, Ralph Jenco Services, Inc. 5959 Shallowford Road, Suite 2056 Chattanooga, TN 37377	423-702-5525 Office
Bacus, Aaron ANB Capital Inc. 10033 Sawgrass Drive West, Suite 200 Ponte Vedra Beach, FL 32082	904-450-4386 x700 Office

Harroff, David DPH Investments, Inc. P.O. Box 638 Pineville, NC 28134	704-707-5310 Office
--	---------------------

II. LIST OF INDIVIDUAL FRANCHISED BUSINESSES OF FRANCHISOR

(As of December 31, 2013)

Florida	
<u>Alibocas, Augustus</u> <u>ARN Cleaning Solutions</u> <u>10579 Royal Palm Blvd.</u> <u>Coral Springs, FL 33065</u>	<u>954-688-6390</u>
<u>Allen, Archie</u> <u>Refreshing Janitor Experts</u> <u>1541 NW 2nd Street</u> <u>Pompano Beach, FL 33069</u>	<u>352-442-1663</u>
<u>Barther, Larry</u> <u>Building Maintenance Partners</u> <u>2688 Coachman Lakes Drive</u> <u>Jacksonville, FL 32246</u>	<u>904-714-8883</u>
<u>Boucher, Koren</u> <u>Clean 4U Cleaning</u> <u>PO Box 1018345320 NW 11th Street, #104</u> <u>Fort Lauderdale, FL 33310 Plantation, FL 33313</u>	<u>954-272-8067</u>
<u>Cokley, Chimere</u> <u>C&G Cokleys</u> <u>6803 SW 35th Court</u> <u>Miramar, FL 33023</u>	<u>305-801-5591</u>
<u>Cubano, Carlos</u> <u>JC Future Enterprises Inc.</u> <u>4115 Moonrise Court</u> <u>Middleburg, FL 32246</u>	<u>904-707-4322</u>
<u>Guarda, Marisela</u> <u>Santa Elena Enterprises, Inc.</u> <u>2520 N Andrews Ave #302</u> <u>Wilton Manors, FL 33311</u>	<u>786-235-2636</u>
<u>Ketema Shawel</u> <u>Shawel Ketema Cleaning Service</u> <u>6710 Collins Road #1511</u> <u>Jacksonville, FL 32244</u>	<u>904-614-5549</u>
<u>Medina, Mariceli Molina</u> <u>M&L Commercial Cleaning of S FL</u> <u>5617 SW 40th Street, Apt 1</u> <u>West Park, FL 33023</u>	<u>305-767-5223</u>

Johnson, Alfonso A&J Cleaning 2632 NW 10 th Street Pompano Beach, FL 33069	954-655-0577
Madramootoo, Pauline DKB Cleaning Service 3365 Pinewalk Drive N, Apt 14-210 Margate, FL 33063	954-234-6165
Molina, Jennifer The People That Clean Inc. 6241 Autlan Drive Jacksonville, FL 32210	904-444-3565
Nelson-Jones, Roneese Mr. Spotless Cleaning Services 6525 Brandemere Road South Jacksonville, FL 32211	904-742-3469
Rivas, Miguel Mr Clean Cleaning 4162 NW 54 Street 5702 NW 41st Avenue Coconut Creek, FL 33073	954-471-5830
Sandoval, Ana RJ Total Services Corp. 5627 Sheridan Street Hollywood, FL 33021	954-394-6644
Slavic, Senad Simply Clean 8080 Ibach Road Jacksonville, FL 32216	904-723-0085
Thomas, Andrew A&T Commercial Cleaning of S FL 2271 NW 47 Terrace, Apt 207 Lauderhill, FL 33313	610-734-3634
Spann, Erie MBB Cleaning Service 20 SW 4 th Avenue, Apt 19 Dania Beach, FL 33004	334-355-0142
Washington, Maner Washington Janitorial & Landscaping 1408 Secretariat Lane Jacksonville, FL 32218	904-683-8269
North Carolina	

Allen, Iasha Murphys Property Preservation & Janitorial <u>11305 Erwin Ridge Avenue</u> 8343 Gera Emma Dr Charlotte, NC 28215	704-390-0349
Ashley, Albert AREA Cleaning 2070 Woodstream Drive Harrisburg, NC 28075	704-454-5111
Austin, Helma Denham Cleaning Service 15137 Bridle Trace Lane Pineville, NC 28134	704-281-0283
Boyer, Douglas Rayden Services 2001 Ranchwood Drive Charlotte, NC 28217	980-395-0227
Bradley, Kenyatta Bradley & Daughters 8001 Ivy Hollow Drive Charlotte, NC 28227	980-253-1026
Breaud, Adrienne ACE Cleaning Service 8809 Hunter Ridge Charlotte, NC 28226	704-277-2801
<u>Brevard, Ray</u> <u>The Maintenance Man Turn-Key Janitorial Services</u> <u>PO Box 16838</u> <u>Charlotte, NC 28297</u>	<u>980-200-1077</u>
<u>Brown, Nikki</u> <u>Nhouse Royalty Services</u> <u>6108 Bridlewood Lane</u> <u>Charlotte, NC 28215</u>	<u>704-780-5403</u>
Cha, Leng Church & Office Janitorial Service 901 Cathedral Drive Belmont, NC 28012	704-287-1272
<u>Cociug, Stanislav</u> <u>Carolina Quality Cleaning</u> <u>72432 Windsor Glade Drive</u> <u>Matthews, NC 28105</u>	<u>704-773-7002</u>

Codio, Renand Codio 5 Star Prof. Cleaning Service 4718 Hobbs Hill Drive Charlotte, NC 28212	704-537-9125
Coleman, Ronnie Coleman & Coleman Cleaning Service 340 E Deanna Lane Charlotte, NC 28217	704-962-6617
<u>Digsby, Luphinia</u> <u>DDC Janitorial</u> <u>320 Coxe Avenue</u> <u>Charlotte, NC 28208</u>	<u>704-777-7667</u>
Dixon, Travis TLD Cleaning Services 11305 Silver Glen Lane Charlotte, NC 28262	704-975-6173
Ellis, Deborah HAD's Cleaning Service 1137 Tom Hunter Road Charlotte, NC 28213	704-596-7568
Espinoza, Hermelinda Linda's Cleaning Services 7327 Ginger Spice Lane Charlotte, NC 28227	704-573-1177
<u>Floyd, Ebony</u> <u>Superb Cleaning, Inc</u> <u>2013 E Hudson Blvd, Apt G</u> <u>Gastonia, NC 28054</u>	<u>704-208-8379</u>
Frazier, Michelle Roseboro Janitorial 11340 Red Finch Lane Charlotte, NC 28214	704-401-8864
Freeman, Solomon S & M Maintenance 5219 Moonlight Trail Concord, NC 28028	704-723-4743
<u>Gambrell, James</u> <u>Quality Clean Janitorial</u> <u>1417 McBeth Drive</u> <u>Kannapolis, NC 28083</u>	<u>704-787-0511</u>

Friday (Miller), Dorothy Happy Valley Cleaning 6311 Ziegler Lane Charlotte, NC 28269	704-912-3409
Gause, Carrie Glow Busters 247 W Kingston Avenue Charlotte, NC 28203	704-605-6227
Geiger, Linda C & L Cleaners 7407 Beacon Hill Lane, Apt. 12 Charlotte, NC 28270	704-442-9671
Geiger, Curtis / Jackson, Trammel J & G Cleaning 8306 Carob Tree Lane Charlotte, NC 28215	704-780-7743 / 704-726-2034
Greene, Tirrell LOF Cleaning Service 5832 Painted Fern Ct. Charlotte, NC 28269	704-598-5162
Hamilton, Ricky Hamilton Janitorial Service 7328 Hounslow Lane Charlotte, NC 28213	704-596-2091
Harp, Cornelius Solutions Period 1007 Richard Barry Drive Charlotte, NC 28270	704-846-7932
Hart, Wonique Smart Cleaning 8815 Korniv Drive Charlotte, NC 28216	704-719-6213
Hasan, Umar The Fiveaz Company 12803 Matisse Lane Charlotte, NC 28215	704-499-4615
Hicham, Michelle Adil AML Cleaning 7621 Waterford Ridge Drive Apt 112 Charlotte, NC 28212	704-494-9376

Hopkins, Jackie Jay's Cleaning Service 9402 Tavistock Court 7408 Beacon Hill Lane #73 Matthews, NC 28105 Charlotte, NC 28270	704-819-3140
Humphrey, Andre A.R.H. Enterprises 3220 Tyler Finley Way Charlotte, NC 28269	704-750-9477
Jackson, Leonard Rick Cleaning Service 7728 Hickory Hollow Lane Charlotte, NC 28227	704-566-9280
Jones, Anthony AJ Jarrell Cleaning Service 7816 Waterfod Lakes Dr Apt 1125 Charlotte, NC 28210	704-969-8651
Kelley, Lowrey GS Cleaning Services 1710 Willow Haven Lane Apt 2E Charlotte, NC 28262	704-906-1956
Kesting, Hadia Preferred Cleaning 11213 Vista Haven Drive Charlotte, NC 28226	704-543-4846
Kubilus, Geoffrey GloClean 14285 Wynhollow Downs Lane, Apt 416 Charlotte, NC 28277	980-207-3334
LeGrand, Tabitha Little's Legrands Enterprises "We Clean Your Way" 3206 Erskine Drive Charlotte, NC 28205	980-275-3172
Little, James Little's Cleaning Service 137 Brinkley Park Court Mt. Holly, NC 28120	704-827-4187
Lopez, Anthony South Xpress Cleaning 932 Willow Creek Drive Gastonia, NC 28054	704-685-1263

<u>Mackey, Jarica</u> <u>A Touch of Qulaity</u> <u>1808 A Village Lake Drive</u> <u>Charlotte, NC 28212</u>	<u>704-231-9044</u>
<u>Maclean, Pete</u> <u>Maclean Commercial Cleaning</u> <u>4208 Queensberry Drive</u> <u>Gastonia, NC 28056</u>	<u>828-443-6818</u>
<u>Major, Jerome</u> <u>Major Cleaning</u> <u>2425 Statesville Avenue, Apt E201</u> <u>Charlotte, NC 28206</u>	<u>413-459-1403</u>
McCauley, Muriel & Arry M & A Janitorial Service 4525 Sampson Street Charlotte, NC 28208	704-391-9390
McCoy, Doniele Professional Image Cleaning Service 4911 Rolling Oak Lane Charlotte, NC 28227	704-596-8406
McHam, Marlo McHam Cleaning Service 432 Wyalong Drive Charlotte, NC 28227	704-545-5665
Merrell, Tara Klean Solutions 3890 Willow Grove Lane Concord, NC 28025	704-721-5375
Moffett, Patrick Clean Touch Janitorial & Cleaning Service 7432 Icon Way Charlotte, NC 28216	704-858-0833
<u>Moffett, Rashad</u> <u>RM Express</u> <u>9411 Isaac Hunter Drive</u> <u>Charlotte, NC 28214</u>	<u>980-721-5000</u>
Morris, Gerrie The Pelzer Group 5823 Torrence Street Charlotte, NC 28269	704-712-7899

<u>Moses, Derita</u> <u>SESOM</u> <u>2640 Captains Watch Road</u> <u>Kannapolis, NC 28083</u>	<u>704-738-5926</u>
Neal, Goleavia Pro Kleen 5816 Wilora Lake Road Charlotte, NC 28212	704-531-0308
Neal, Melinda Key to Clean 11323 Silver Glen Lane Charlotte, NC 28262	704-595-9140
Nsafoah, Linda VL Professional Cleaners PO Box 385 Pawereek, NC 28130	704-395-1322
Perkins, Cynthia The Clean Look 1807-15 Gander Cove Lane Matthews, NC 28105	704-618-2126
Petty, Dana The Helping Hands 224 Roy Bell Road Kings Mountain, NC 28086	828-447-3227
Phifer, Jimmy Last Chance Cleaning Service PO Box 1363 Bessemer City, NC 28016	704-629-5587
Porter, Cheryl CJ's Cleaning P.O. Box 562902 Charlotte, NC 28256	704-776-9127
<u>Okomba, Jackie & Steven</u> <u>Swift Clean Car Wash & Detail, Inc.</u> <u>3406 Anastasia Court</u> <u>Charlotte, NC 28216</u>	<u>704-449-5224</u>
Richards, Brenda Brenda's Residential 4900 Snow White Lane Charlotte, NC 28213	704-454-8544

Richards, Pamela Bradley & Sons Cleaning Service 10029 Avery Court Charlotte, NC 28215	980-230-6056
Richmond, Reginald READ Cleaning 2809 Waycross Drive Monroe, NC 28110	704-277-3917
Roasio, Rodney R & K Cleaning 6960 Poppy Hills Lane Apt 324 Charlotte, NC 28226	843-813-6094
Robinson, Betty S & R Janitorial Service 805 E. 19th Street Charlotte, NC 28205	704-377-6490
<u>Robinson, Celia</u> <u>D and A Cleaning</u> <u>8437 Newfane Road</u> <u>Charlotte, NC 28269</u>	<u>704-649-5698</u>
Scott, Eric & Kitchen, Michelle Carver Cleaning Service <u>401 Hawthorne Lane, Suite 110-112338 S Sharon</u> <u>Amity Road</u> Charlotte, NC 2820411	<u>980-213-5509</u> 404 942-8217
Shepard, Lucinda White Gloves Maximum Cleaning Service <u>13812 Allison Forest Trail</u> <u>Charlotte, NC 28278</u>	<u>980-207-2183</u>
Small-White, Darlene Mae Francis Group, The 441 Skyland Ave. Charlotte, NC 28205	704-712-8449
Stinson, Stephanie Step N2 Cleaning 7712 Sullivan's Trace Dive Charlotte, NC 28217	704-588-7517
Strong, Andrew Strongman Cleaning Service <u>1808 Charleston Place Lane, Apt 3F4535 Galleria</u> <u>Court Drive #314</u> Charlotte, NC 2821270	980-297-2098

Tipton, Tanara Spotless Custom Cleaning 904 Sharview Circle, Apt 323 Charlotte, NC 28217	423-355-0762
Thomas, Jarod World's Best Cleaning Service 6116 Winged Elm Court Charlotte, NC 28212	704-277-9510
Truesdale, Marcia Truesdale Janitorial 4304 Hovis Road+836 Finchley Drive Charlotte, NC 28208+5	704-509-6691
Uhuru, Aseelah A&P Cleaning 3024 Cricketeer Drive Charlotte, NC 28216	704-258-4220
Viarenich, Valery VALHANN 9125 Lenox Pointe Dr., Apt 311 Charlotte, NC 28273	718-916-7998
Walker, Quantis DS&Q Commercial Cleaning 9409 Dewey Drive Charlotte, NC 28214	704-426-9152
Wallace, Quinta Shine Plus Cleaners 4426 Hamilton Circle Charlotte, NC 28216	704-496-0668
Williams, Sandra Williams Faithful Cleaning Service 4126 Tullock Creek Charlotte, NC 28269	704-890-0930
Willis, Anthony Family Health & of the Carolinas P.O. Box 621322 Charlotte, NC 28262	704-231-1521
Wilks, Kevin K & M Cleaning 3940 Fieldcrest Road Charlotte, NC 28217	704-525-0767

Winckler McKinnon, Karen KK Rerora Enterprises 2909 Ravencroft Drive Charlotte, NC 28208	347-907-9846
Witherspoon, Rhonda No Business Too Small 4326 Hamilton Circle Charlotte, NC 28216	704-399-0557
South Carolina	
Barber, Laturia Barber's Cleaning Service 2483 Twilight Road Edgemoor, SC 29712	803-524-7563
Bolin, Chris & Jakab, Matthew MC Services 1641 Dulin Road Clover, SC 29710	803-810-4958
Bolin, Eugene A&T Cleaning 1645 Dulin Road Clover, SC 29710	803- 818-7480 415-3670
<u>Bolin, Johnathan</u> <u>First Time Enterprises</u> <u>119 Ervin Street</u> <u>Clover, SC 29710</u>	<u>803-526-8952</u>
Boyd, Eugene Boys Quality Cleaning Service 228 East Black Street 4180 Marley Court Rock Hill, SC 29730	803-324-5679
Campbell, Tonya Total Package Cleaning Service 1870 Neely Store Road Rock Hill, SC 29730	803-389-7503
Carpenter, William CommercialCare 8386 Chatsworth Drive Fort Mill, SC 29707	803-802-5561
Coleman, Gerard Commercial Cleaning of the Carolinas 3057 S Legacy Park Blvd. Fort Mill, SC 29715	803-396-8186

Davis, Grace Excellent Results Cleaning Services 2270 Flat Creek Road Lancaster, SC 29720	803-313-9806
Dover, Christina MD Commercial Cleaning <u>932 Johnson Street</u> <u>Clover, SC 29710</u>	<u>803-627-7822</u>
Dover, Samuel <u>Bay Bridge Company</u> <u>232 Cedar Oak Drive</u> <u>Clover, SC 29710</u>	<u>980-989-4162</u>
Jamison, Marcus Jamison Cleaning Service 4880 Walker Wade Road Sharon, SC 29742	803-448-6235
Knox, Herbert and Dianne Knox's Cleaning Service 509 Cornerstone Road Rock Hill, SC 29732	803-324-9047
Knox Sr., Herbert & Linda K's Cleaning Service 1216 Knox Pointe Lane Rock Hill, SC 29732	803-329-1245
Mahoney, Madelyn Clean Sweep 401 Heritage Pkwy Fort Mill, SC 28715	803-548-4621
McGriff, Carolyn Carolyn's Cleaning Service 2240 Steward Road Lancaster, SC 29720	803-804-5054
McKee, Calvin <u>McKee Janitorial</u> <u>614 Walnut Street</u> <u>Rock Hill, SC 29730</u>	<u>803-981-7696</u>
Moffatt, Ernest E & M Cleaning Service 1167 Glenarden Drive Rock Hill, SC 29738	803-328-6627

<u>Petty, Dana</u> <u>The Helping Hands</u> <u>2070 Cutterpoint Drive, Apt 105</u> <u>Lake Wylie, SC 29710</u>	<u>828-447-3227</u>
Pickett, Sheena J and K Cleaning 211 Sherwood Circle Rock Hill, SC 29730	803-370-5582
Roseborough, Erica Attention to Detail 197 Hunter Park Drive York, SC 29745	704-907-7816
Stevens, Joe Stevens Janitorial & Floor Care Service 3007 Ridgewood Acres Rd. Lancaster, SC 29720	803-762-8359
<u>Venable, Ervin</u> <u>Ervin Venable Landscaping Service</u> <u>915 Jefferson Avenue</u> <u>Rock hill, SC 29730</u>	<u>803-370-1998</u>
<u>Ware, Reginald</u> <u>Ware Cleaning Service</u> <u>1519 Dillwin Road</u> <u>Rock Hill, SC 29732</u>	<u>803-984-2498</u>
<u>White, Derrick</u> <u>White Gloves Janitorial Services</u> <u>606 Sugarberry Court</u> <u>Fort Mill, SC 29715</u>	<u>704-919-0620</u>
Wilson, Diane Wilson's Cleaning 141 Stonepost Road Rock Hill, SC 29730	803-230-1850
Woodward, Robert Purpose Driven Cleaning 259 Sunnybrook Lane Lancaster, SC 29720	803-320-7147

**III. LIST OF OTHER MINT CONDITION
INDIVIDUAL FRANCHISED BUSINESSES**

(As of December 31, 2013)

Florida	
Barther, Larry Building Maintenance Partners 2688 Coachman Lakes Drive Jacksonville, FL 32246	904-714-8883
Battis, Rodney Hot Rod Ventures 2611 19 th Street Sarasota, FL 34234	941-592-1434
Cubano, Carlos JC Future Enterprises Inc. 4115 Moonrise Court Middleburg, FL 32246	904-707-4322
Fitzpatrick, Kevin Environmental Cleaning Services 800 Broward Road, Apt D106 Jacksonville, FL 32218	904-866-3687
Jarquin, Jose Vic's Cleaning Service 2389 Mills Road Jacksonville, FL 32216	904-994-7020
Molina, Jennifer The People That Clean, Inc. 2534 Columbine Drive N Jacksonville, FL 32211	904-444-3565
Nelson Jones, Roneese Mr Spotless Cleaning Service 6525 Brandemere Road South Jacksonville, FL 32211	904-742-3469
Roberts, Kevin Kevin's Cleaning Service 5238-23 Norwood Avenue Jacksonville, FL 32208	904-235-5890

Zelelew, Abiyot 1171 Lane Avenue, Apt 210 Jacksonville, FL 32205	904-345-1124
Georgia	
Austin, Courtney CBA Commercial Cleaning 3546 Meadowglenn Village Lane Atlanta, GA 30340	404-709-6219
Barksdale, Michael Richland Cleaning Service 278 Players Circle Fayetteville, GA 30215	404-218-2408
Bennett, Clarence – Howell, Dahlya Bennett-Ficial Quality Cleaning 917 Villa View Way Hampton, GA 30228	770-828-5485
Berry, Geoffrey R&G Cleaning Company 353 Pine Brook Drive Waleska, GA 30183	770-213-4453
Fernandez, Pedro Best, Charles Emprise Commercial Services 2810 Club Forrest Drive 541 10th Street Conyers, GA 30013 Atlanta, GA 30318	404-434-8960 678-458-0028
Bishop, Mike Bishop Janitorial LLC 1557 Terrell Mill Road Marietta, GA 30067	678-852-7452
Carnessali, William CPK Trading 4177 Reed Ct Oakwood, GA 30566	470-201-7983
Carpenter, Garfield Carpenter Cleaning Solutions 2311 Rambling Way Lithonia, GA 30058	678-677-3070
Carter, Loretta J & L Cleaning Service 1730 Westwood Avenue Atlanta, GA 30310	404-353-1950

Garcia, Darlene Pro Source USA Inc. 6025 Capital Knoll Fairburn, GA 30213	404-694-9682
Gordon, Stacy Southern Cleaners of Georgia LLC 1404 Stephens Pond Road Loganville, GA 30052	687-973-5036
<u>Hernandez, Jose</u> <u>Marvins Cleaning Center</u> <u>1356 Indian Way</u> <u>Lilburn, GA 30047</u>	<u>678-923-8833</u>
Hill, Rosland Rosland's Cleaning Service 514 Winchester Trail Smyrna, GA 30080	678-751-5631
<u>McColley, Shawn</u> <u>S&L Cleaning</u> <u>12850 Highway 9 N</u> <u>Alpharetta, GA 30004</u>	<u>770-687-7877</u>
McKinney, Natoya Chan's Cleaning Solutions 4817 Basingstroke Drive Suwanee, GA 30024	404-668-0744
Morris, Jason MOGO Services 2500 Shallowford Road Atlanta, GA 30345	404-840-5251
Ordonez, Felicia RHF Cleaning Solutions Limited 514 Ashton Manor Drive Loganville, GA 30052	404-862-6607
Perez, Elizabeth DAW Enterprise 34 Oxford Brookway Lawrenceville, GA 30046	404-322-7245
Quintero, Juan JBI Cleaning Services 320 Congress Parkway Lawrenceville, GA 30044	404-328-8047

<u>Scott, Damien</u> <u>Tyrelsco</u> <u>3522 Clare Cottage Trace</u> <u>Marietta, GA 30008</u>	<u>770-276-6235</u>
Shorter, Hattie Hattie's Commercial Cleaning 1857 Arkose Drive Atlanta, GA 30316	770-771-4781
Siggers, Brian Siggers Commercial Cleaning 689 Birchwood Lane SW Marietta, GA 30060	866-691-0609
Smith, Romel RQF Cleaning Service 1402 Summerview Drive Stone Mountain, GA 30083	678-227-1238
Swindel, Brian Qualified Cleaning Services 410 Magnolia Court Woodstock, GA 30188	404-392-8095
Thomas, Valencia TNR Cleaning 455 Bluffs Circle Union City, GA 30291	404-661-2913
Vargas, Melvin Mel's Commercial Cleaning Services 7430 Dexter Drive Riverdale, GA 30296	973-592-9054
Veal, Clem Veal Family Cleaning Service 3148 Elmwood Ct, College Park, GA 30349	770-909-6583
Weaver, Arthur Art Cleaning Solution 7586 Garnet Drive Jonesboro, GA 30236	404-246-8479
<u>Williams, Tara & Keeton, Regina</u> <u>K&W Commercial Cleaning</u> <u>760 Commercial Blvd.</u> <u>Riverdale, GA 30004</u>	<u>678-791-5621</u>

North Carolina	
Abdi, Rebuma <u>Abdi Commercial Cleaning R&F Cleaning Service</u> <u>6431 Daybrook Circle, Apt 2033971 Patriot Ridge</u> Raleigh, NC 2760640	919-637-0741
Alemu, Asegedech & Tegegn, Elizabeth <u>AER Cleaning Service</u> <u>400 Discovery Way, Apt. 421</u> <u>Durham, NC 27703</u>	919-536-2600
<u>Arnett, Matthew</u> <u>Arnett, Barbara Jean</u> <u>PO Box 131</u> <u>Elk Park, NC 28622</u>	828-897-1150
Ashworth, Gemma Fil-Am Cleaning 7305 Mine Shaft Road Raleigh, NC 27615	919-390-5963
Bolden, Marvin <u>Haime Cleaning Service</u> <u>901 Unit 3B Hanahan Court</u> <u>Greensboro, NC 27409</u>	336-471-1971
Booker, Kareem <u>2000 Falcon Wood Court, Apt F</u> <u>Winston-Salem, NC 27127</u>	336-473-8588
Bowser, Russell <u>425 S Jackson Street, Apt 14180 Trexler Street</u> Salisbury, NC 28147	980-422-5420
<u>Brown, Frank</u> <u>Brown's Cleaning Service</u> <u>PO Box 781</u> <u>Garner, NC 27259</u>	919-621-3700
Bynum, Gwen BB & P Cleaning Services 1215 Piney Glen Lane Zebulon, NC 27597	919-269-5901

Chiboub, Mohamed 1811 G Fairfax Road Greensboro, NC 27407	336-295-4024
Collier, Patrice PC Commercial Industrial Cleaning 2639 Englehardt Street Charlotte, NC 28216	704 713 6919
Cook, Kenneth <u>Cook's Spotless Janitorial Service</u> 4409 Stephen Oaks Way Greensboro, NC 27405	336-617-0682
Cox, Terry <u>T and B Cleaning Service</u> 1326 Tredwell Drive Winston-Salem, NC 27116	336-577-4009
Daba, Marci Soulen Cleaning 1572 Pebble Ridge Drive Raleigh, NC 27610	919-327-1078
Dangeso, Manale MD Family Cleaning Service 414 Waldo Street Cary, NC 27511	919 771 6915
Davis, Ronald Grant Braveheart Ventures 136 Carpenter Street Newland, NC 28657	828 467 9320
<u>Denboba, Degefu</u> <u>Great Cleaning Company</u> <u>3531 Mackinac Island Lane</u> <u>Raleigh, NC 27610</u>	<u>919-931-3191</u>
<u>Dennis, Anthony</u> <u>Dennis Janitorial Service</u> <u>1113 Enterprise Drive</u> <u>High Point, NC 27260</u>	<u>336-847-6178</u>
Desalegn, Aster Betel Cleaning 216 Palmdale Court Holly Springs, NC 27540	919-559-4893

Duressa, Fufa Care Kleaning 3956 Marcom Street, Apt B Raleigh, NC 27606	919-791-8103
Ellis, Tim Ellis Cleaning Service PO Box 1402 Cary, NC 27512	919-457-3557
Farnham, Jeff JLF Enterprises 7214 Galon Glen Rd Raleigh, NC 27613	919-796-5886
Getahun, Eyob Ebenazer 105 Virens Drive Cary, NC 27511	919-468-9865
<u>Harper, Iabn</u> <u>H2 Anti-Septics</u> <u>11331 Breeze Hill Lane</u> <u>Charlotte, NC 28262</u>	<u>347-848-9751</u>
<u>Holmes, Calvin</u> <u>Floors Plus Janitorial Services</u> <u>411 First Avenue</u> <u>Statesville, NC 28677</u>	<u>704-253-2447</u>
Johnson, Joy Rodney Atefa Cleaning 4805 Tolley Court Raleigh, NC 27616	919-878-4620
Jones, Conley CoJo Janitorial 5340 Garden Springs Lane, Apt 106 Raleigh, NC 27610	919-327-7296
<u>KelKay, Abiy</u> <u>Abiyfair Cleaning</u> <u>3066 Woods Place, Apt B</u> <u>Raleigh, NC 27607</u>	<u>919-539-3183</u>
Kendall, Lawrence L & N Cleaning Service 8 Mint Hill Court Durham, NC 27703	919-402-1738

<u>Kennedy, Mark</u> <u>Spotless Janitorial</u> <u>562 Greenway Drive</u> <u>Statesville, NC 28677</u>	<u>330-581-9561</u>
<u>Legesse, Tigist</u> <u>Grace Cleaning</u> <u>107 Station Drive</u> <u>Morrisville, NC 27560</u>	<u>919-949-6496</u>
Lobo, Isis Lobo Company 2505 Landale Court Raleigh, NC 27610	919-208-9162
Manning, Kenneth Manning Cleaning Service 410 Bernard Castle Court Rolesville, NC 27571	919-435-7941
Mebratu, Bayush Abissinia Cleaning 217 Jasper Point Drive Holly Springs, NC 27540	919-762-9002
<u>Medhane, Elias</u> <u>St. Mary's Cleaning</u> <u>3815 Mayfair Street</u> <u>Durham, NC 27707</u>	<u>617-749-5747</u>
<u>Mierez, Christopher</u> <u>PO Box 39603</u> <u>Greensboro, NC 27438</u>	<u>336-392-5947</u>
Morgan, Charlie & Jacqueline <u>Majestic Janitorial Services</u> PO Box 17162 Winston-Salem, NC 27116	336-918-2555
Moscotte, Luis <u>Moscotte's Janitorial Services</u> 1017 2 nd Street SE Conover, NC 28613	828-238-3194
<u>Negeri, Adugna</u> <u>Adugna Cleaning Service</u> <u>1220 University Court, Apt 102</u> <u>Raleigh, NC 27606</u>	<u>919-756-0200</u>

Nettles, T. Harold Nettles Cleaning 1302 Moody Street Greensboro, NC 27401	336-253-2782
Nock, Sean Lightning Concepts 6209 Ridgemount Street Wake Forest, NC 27587	919-453-2566
Perry, Juanita Juanity Perry Janitorial 8814 Driftwood Commons Ct Mint Hill, NC 28227	704-777-2074
Selassie, Abebe & Abeba Mesgana Services 128 LaCombe Court Holly Springs, NC 27540	919-341-5338
<u>Sherfield, Tim</u> <u>T&W Finishing Touch Cleaning</u> <u>308 Hidden Pond Drive, Apt 201</u> <u>Fayetteville, NC 27311</u>	<u>910-476-2893</u>
Shipman, Rommel Malloy, James Top General Cleaning 1210 N. Roxboro Street Durham, NC 27701	919-519-6215
Simmons, Gerald Always Clean 3608 Peppersauce Street Raleigh, NC 27610	919-522-6108
Suggs Jr., Sandy Sandy's Cleaning Service PO Box 302 Dunn, NC 28335	919-412-3015
<u>Suyu, Hawi</u> <u>Fenet Cleaning Service</u> <u>2706 Brownlow Court</u> <u>Raleigh, NC 27610</u>	<u>919-520-7653</u>
Taddele, Haile Xpress 1024 E Horseshoe Rd Durham, NC 27703	240-688-9911

Tafesse, Daniel Weldekirkose, Nitsuh Dan-Taf Cleaning 3956 "D" Marcom Street Raleigh, NC 27606	919-720-6597
Tyus, Jamney J&S Commercial Cleaning & Floor Care 33 Red Oak Drive Smithfield, NC 27577	919-300-9903
Wagner, Curtis 1652 Cessna Lane Conover, NC 28613	828-612-9036
Yesuf, Kedir & Zelelew, Yeshi Yes Cleaning Service 4405 Offshore Drive Raleigh, NC 27610	919-986-5117
Pennsylvania	
Allebach, Roy Green Sweep Plus LLC 18 Stonecreek Ct. Ephrata, PA 17522	717-598-0114
Ardon, Michael MA Janitorial Services 995 Pear Road Walnutport, PA 18088	610-676-0680
Bushey, Heidi Bushey Cleaning Service 606 Ridge Street, Apt 2 Bethlehem, PA 18015	610-868-4488
Cruz, Antonio 511 S Shippen Street Lancaster, PA 17603	717-490-9446
Danchack, Mike 2 Guys Cleaning 1420 Hottle Ave Bethlehem, PA 18018	610-974-8136
Dantzler, Myron Dantzler Associates, LLC 1604 W Thistle Drive Wyomissing, PA 19610	484-769-3082

Dida, Bashkim Bashkim Cleaning 1138 St Vincent Street Philadelphia PA 19111	215-722-2019
Flores, Sandra 2272 Coventry Road Lancaster, PA 17601	717-538-9341
Forrey, Danae 40 Bryn Way Mount Wolf, PA 17347	717-424-2664
Gardner, Chris Chris Gardner Cleaning 164 Tom Ave. Ephrata, PA 17522	717-733-1499
Gornish, Ken Lean, Green and Clean Services LLC 306 Mentzer Avenue New Holland, PA 17557	717-341-8486
Kondo, Edmond & Vladimir Kondo Cleaning Services 4321 Oakmont Street Philadelphia, PA 19136	215-331-4334
Lewis, Julius Dewey Cleaning Services 2928 S. Dewey Street Philadelphia, PA 19142	267-259-3842
Lopez, Rosa Sparkling Klean 7 Newswanger Road Lancaster, PA 17603	717-584-5065
Martinez, Mary Luiz 1314 N 3 rd Street Harrisburg, PA 17102	717-795-8009
Moore, William J. WJM Janitorial Services 1940 Northampton Street Easton, PA 18042	484-546-1854

Smith, David 24 N 28 th Street Harrisburg, PA 17103	717-829-7226
Stanfield, AJ PO Box 6180 Wyomissing, PA 19610 *He has executed 2 separate franchise agreements under 2 different Master Franchise Owners.	484-688-4856
<u>Torres, Pedro</u> <u>2272 Coventry Road</u> <u>Lancaster, PA 17601</u>	<u>717-538-9341</u>
Verniero, William Service Pro of Lehigh Valley, LLC 390 Palmetto Drive Easton, PA 18045	610-258-3312
Williams, Demetrius DLW Cleaning Services 2801 B Easton Rd Box # 28 Willow Grove, PA 19090	215-370-1591
Wolf, Ester 825 W Brubaker Valley Road Lititz, PA 17543	713-689-9672
South Carolina - Greenville	
Burris, Carroll CNL Kingdom Cleaning Services 515 Scottswood Road Taylors, SC 29687	864-349-3059
Crocker, Sonya J & S Cleaning 108 Idlewood Circle Spartanburg, SC 29307	864-329-5763
Dean, Charlene Dean & Associates 147 Cherokee Road Williamston, SC 29697	864-437-0624

Ellis, Christopher Big-Ellis Professional Cleaning 133 Colonial Drive Chesnee, SC 29323	864-607-5343
Hufstetler, Jim Weathersby Guild Greenville, Inc. 3106 Bethel Road, Unit 8 Simpsonville, SC 29681	864-346-8476
Jackson, Paulette Helping Hands 1901 Woodruff Road, Apt 1232 Greenville, SC 29607	864-787-2719
Kelly, Alecia Alpha Bridge Corp 204 Hampton Ridge Drive Greer, SC 29651	864-329-5763
Lewis, Andre Jani-Tech 12 Arrowood Ct. Mauldin, SC 29662	864-275-4965
Lodato, Barbara Spanglish Cleaning Service 9 Gallivan Street Greer, SC 29650	864-327-5576
Martin, Dante Dee & Jay's Quality Service P.O. Box 51292 Greenwood, SC 29649	864-554-6659
Mims, Anthony E-Trust Holdings 504 Candlewick Ct Moore, SC 29699	864-706-3690
Thompson, Donnie D & H Cleaning 50 Barnett Road Lyman, SC 29365	864-270-6092
Tennessee	

Batey, Norman Commercial Cleaning Inc. 617 Tosha Ct. Nashville, TN 37218	615-390-9773
Blunt, Ledrica & Alexzandria <u>3941 Chickamuaga Ave</u> 3816 Youngstown Road, Apt Chattanooga, TN 37406	423-760-7611
Brooks, Toni 313 Hillcrest Avenue Chattanooga, TN 37411	423-353-9348
Cabrera, Juan Genesis Janitorial Services 247 Twin Oaks Drive Nashville, TN 37211	615-967-0122
Campbell, Kevin Kevin Campbell Cleaning 317 Rosemary St Smyrna, TN 37167	615-870-2454
<u>Coldwell, Jeanette</u> <u>Jack-Cald Enterprises</u> <u>4137 Turner's Bend</u> <u>Goodlettsville, TN 37072</u>	<u>615-579-1650</u>
Coleman, Tammy Thomas, Anthony 2100 14 th Ave N Nashville, TN 37208	615-642-4405
Colon, Brian IQ Services Group 2128 Rose Garden Goodlettsville, TN 37072	615-720-2914
Cook, Stanley & Keith, Denise 4108 Longfellow Drive Nashville, TN 37214	615-517-4141
<u>Cotton, David</u> <u>DC Enterprises</u> <u>15 Smith Lane</u> <u>Loretto, TN 38469</u>	<u>931-201-3583</u>

Crutcher, Tory The Crutcher Group 582 Ewing Drive Nashville, TN 37207	615-586-7122
Dallas, Calvin 2703 Curtis Street Chattanooga, TN 37406	423-698-9142
Day, Michael Day Janitorial 3020 Penn Meade Way Nashville, TN 37214	615-833-3353
Dixon, Vida Life's Cleaning Service 2900 Hamilton Church Road, Apt #208 Nashville, TN	615-753-6982
Duncan, Ken & Fletcher, Sue ICS Cleaning Service 2812 Thrush Drive Clarksville, TN 37040	931-216-2213
Ferrell, Eva 3302 Provence Street Chattanooga, TN 37411	423-394-0947
Ford, Robert 161 North Hickory Street Chattanooga, TN 37404	423-468-3076
Genry, Leonard A+ Cleaning 5430 Candy Cane Court Murfreesboro, TN 37129	615-947-6460
Gregory, Connie GNG Commercial Cleaning 1047 Hinton Road Bethpage, TN 37022	615-388-6513
Head, Jeffrey Head Enterprises, LLC 353 Janette Avenue Goodlettsville, TN 37072	615-947-0676

Helton, Steve Steve Helton Cleaning 2630 Woodberry Drive Nashville, TN 37214	615-524-8598
Hennessee, Ed C & E Cleaning 328 Carnton Court Murfreesboro, TN 37130	615-691-0606
Holt Jr., Frank Alpha & Omega 1249 Lampshire Pk G45 Columbia, TN 38401	931-982-9748
Holtz, Amy DACA 2655 Sutherland Drive Thompson Station, TN 37179	615-419-1093
Jackson, Constance & Beach, Shelia 1807 Foust Street #A Chattanooga, TN 37407	423-314-2128
Jaeger, Tim Jaeger Enterprises 4401 Scott Hollow Road Culleoka, TN 38451	731-336-1042
Johnikin, El Patro 6101 Vance Road Chattanooga, TN 37412	423-760-9919
Ketchen, Diana & Michael Kitchens Quality Cleaning 6010 Lee Avenue Murfreesboro, TN 37129	615-668-4104
<u>Knight, Mary</u> <u>Mary Knight Enterprises</u> <u>2334 Irby Lane</u> <u>Murfreesboro, TN 37127</u>	<u>615-788-7234</u>
Lasure, Sarah Lasure Cleaning Company 105 Dawson Drive Columbia, SC 38401	931-286-0947

<u>Lockett, Betty</u> <u>1626 Dogwood Drive</u> <u>Chattanooga, TN 37406</u>	<u>423-521-7963</u>
Marar, Debra & Nasser Dustbusters 801 Del Rio Pike, Apt I-9 Franklin, TN 37064	615-224-3146
McColley, Shawn Lawrence, Latoya 2236 Tunnel Blvd Chattanooga, TN 37406	770-678-7808
McClure, John Paul McClure Contracting 3280 Maxey Road Cedar Hill, TN 37032	615-830-9480
Morgan, Demetrius MVP Cleaning 1802 South Willow St., Apt B Chattanooga, TN 37404	423-771-3446
Moreland, Joseph C & I Cleaning 121 Ruben Road Springhill, TN 37174	615-934-7097
Mormile, Michael 2305 Clare Mathis Road Spring Hill, TN 37174	615-482-5053
Muncy (King), Rosemary 312 Inman Street Ringgold, GA 30736	423-255-5844
<u>Palmer, Keyonna</u> <u>Keep It Clean Cleaning Services</u> <u>234 Burning Tree Dr</u> <u>Nashville, TN 37076</u>	<u>615-605-4388</u>
Payne, Terrance Montgomery, Chris 5518 Oleary Street, Apt A Chattanooga, TN 37410	423-3169228

Porter, Gary <u>5003 Marilyn Lane, Apt B4907 Duncan Avenue</u> Chattanooga, TN 3741104	423-227-6672
Pruitt, Lamont Perry Services 3011 Waywood Drive Murfreesboro, TN 37125	615-945-3241
Ray, Michael 3595 Mooresville Hwy Culleoka, TN 38431	931-286-1486
Ross, Candice <u>2019 Emma Kate Drive</u> Chattanooga, TN 37406	423-305-0520
Scott, Tedarrell 9019 Kesler Lane Chattanooga, TN 37421	423-667-2779
Shrum, Amy <u>301 Lee Avenue</u> <u>Portland, TN 37148</u>	<u>615-337-0769</u>
Smith, Sloan SS Cleaning 1223 Baker Creek Drive Spring Hill, TN 37174	615-618-6071
<u>Speaker, James</u> <u>J&M Specialized Services</u> <u>422 High Street</u> <u>Dickson, TN 37055</u>	<u>615-446-2579</u>
<u>Surratt III, Talmadge</u> <u>Tee's Cleaning Service</u> <u>604 Kerry Hawkins Cove</u> <u>Laverne, TN 37086</u>	<u>615-925-1499</u>
<u>Talley, James</u> <u>8833 Millard Lee Lane</u> <u>Chattanooga, TN 37416</u>	<u>423-505-8729</u>

Tovar, Jesus Tovar Cleaning 4749 Greystone St Antioch, TN 37013	615-609-8982
Underwood, Jonathan Jo Nathan Services 7324 Cox Run Drive Fairview, TN 37062	615-308-4071
Ward, Roshun & Brooks, April 402 North Hickory Street Chattanooga, TN 37404	423-305-8494
<u>Wiggins, Renee</u> <u>3321 Tinney Place</u> <u>Nashville, TN 37217</u>	<u>615-454-8625</u>
Withrow, Margie Miracle Enterprize 108 Clover Drive Columbia, TN 38401	931-698-4866
Wolfe, Jeff Restore Commercial Cleaning 1011 Murfreesboro Road, A-1 Franklin, TN 37064	615-533-4460

EXHIBIT I

NON-DISCLOSURE AND NON-COMPETITION AGREEMENT

This Non-Disclosure and Non-Competition Agreement (this "Agreement") is made as of this _____ day of _____, 20__ by and between _____ ("Master Franchise Owner") and Mint Condition Franchising, Inc. ("Franchisor") regarding a Master Franchise Agreement (the "Master Franchise Agreement") between Master Franchise Owner and ("Franchisor"); and

The undersigned ("Recipient"), who owns 10% or more of the ownership interests in Master Franchise Owner, and/or holds or has been offered a position as an employee of Master Franchise Owner (any such current and future interest or position held by Recipient is hereinafter referred to as the "Position").

Recipient acknowledges that Master Franchise Owner is entering into this Agreement for itself and for the benefit of Franchisor pursuant to the requirements of the Master Franchise Agreement.

RECITALS:

WHEREAS, in connection with his Position, Recipient will have access to, generate, or otherwise come into contact with certain proprietary and/or confidential information and trade secrets of Master Franchise Owner and Franchisor (collectively the "Confidential Information"), including without limitation training materials, programs, methods, techniques, specifications, standards, systems, procedures, base of revenues, sales and marketing programs and strategies, computer software programs, manuals, financial data, knowledge of specifications for and suppliers of equipment, supplies and services, bidding, pricing and billing methods, existing and prospective customer lists and information about them and their service contracts, at any time existing or under consideration, for the operation of Mint Condition regional offices and commercial janitorial and other facility service businesses (the "System"); and

WHEREAS, Recipient, Master Franchise Owner and Franchisor desire to prevent the dissemination or misuse of such Confidential Information;

NOW, THEREFORE, as an inducement to Franchisor to enter into the Master Franchise Agreement with Master Franchise Owner, or to approve a transfer to or the appointment of Recipient, and/or in consideration of Recipient's employment or continued employment by Master Franchise Owner, Recipient and Master Franchise Owner (on behalf of both Master Franchise Owner and Franchisor) agree as follows:

1. Confidential Information

1.1 Ownership. Recipient acknowledges that Franchisor and/or Master Franchise Owner is/are the sole owner of all the Confidential Information; that the Confidential Information is being imparted to Recipient in trust and confidence and only by reason of Recipient's Position; and that the Confidential Information is not generally known to the trade or public and is not known to Recipient except by reason of such disclosure. Recipient further acknowledges that Recipient shall acquire no interest in the Confidential Information, other than the right to utilize it in connection with the performance of duties associated with Recipient's Position. In addition, Recipient acknowledges that the use, duplication or disclosure of the Confidential Information except as expressly permitted by this Agreement shall constitute an unfair method of competition and that Franchisor and Master Franchise Owner shall suffer irreparable injury thereby.

1.2 Confidentiality. All of the Confidential Information and all other information and knowledge about the System which is not in the public domain and such other information and material as Franchisor or Master Franchise Owner may designate as confidential shall be deemed confidential for purposes of this Agreement. Recipient acknowledges that the Confidential Information is disclosed to Recipient solely on the condition that Recipient agree, and Recipient hereby does agree, that Recipient: (a) will use the Confidential Information in strict accordance with the instructions and directions given by Master Franchise Owner or Franchisor from time to time; (b) will not use the Confidential Information in any other business or capacity; (c) will not, at any time, while holding any Position with Master Franchise Owner or thereafter, in any manner or form, directly or indirectly, disclose, duplicate, license, sell, reveal, divulge, publish or communicate the Confidential Information, or any portion thereof, to any person or entity other than Master Franchise Owner or Franchisor, or employees of Master Franchise Owner or Franchisor who need to have such information in connection with their jobs; (d) will not copy any materials containing the Confidential Information, including without limitation the System manuals and software, without Franchisor's prior written consent; (e) will observe and implement all reasonable procedures imposed from time to time by Franchisor and/or Master Franchise Owner to prevent the unauthorized use and disclosure of the Confidential Information; (f) will keep all System manuals, software and other written materials containing any portion of the Confidential Information in a secure manner and place; and (g) if Recipient is legally compelled to disclose any of the Confidential Information, will do so only if Recipient has used his or her best efforts to afford Franchisor and Master Franchise Owner the opportunity of obtaining appropriate protective orders or other assurances of confidentiality satisfactory to Franchisor and Master Franchise Owner.

1.3 Work Product. Recipient agrees that all documents, papers, notes and other material and work product containing or derived from the Confidential Information or connected with Recipient's Position with Master Franchise Owner shall be Confidential Information. Recipient agrees that he will have no proprietary interest in any work product developed or used by him and arising out of his Position with Master Franchise Owner. Recipient will, from time to time, as may be requested by Master Franchise Owner or Franchisor, do all things which may be necessary to establish or document Master

Franchise Owner's or Franchisor's ownership of any such work product, including without limitation, execution of assignments.

1.4 Assignment of Improvements. Recipient agrees to disclose promptly to Franchisor any and all inventions, discoveries and improvements, whether or not patentable or copyrightable, conceived or made by Recipient while holding any Position with Master Franchise Owner and related to the commercial janitorial and other facility service business, and Recipient agrees to assign all his interest therein, if any, to Franchisor without compensation. Whenever requested to do so by Franchisor, Recipient will execute any and all applications, assignments or other instruments that Franchisor shall deem necessary to apply for and obtain patents and or/copyrights or to otherwise protect Franchisor's interest therein. These obligations shall continue beyond the termination of Recipient's Position with respect to inventions, discoveries and improvements conceived or made by Recipient while holding any Position with Master Franchise Owner, and shall be binding upon Recipient's assigns and personal representatives.

1.5 Return of Confidential Material. Upon termination of his Position with Master Franchise Owner, Recipient shall promptly return to Master Franchise Owner all copies of any materials containing the Confidential Information and all property belonging to Master Franchise Owner and Franchisor, or either of them, in Recipient's possession, custody of control, including any of such items produced or prepared by Recipient.

2. Noncompetition

2.1 Covenant. Recipient recognizes that: (a) the commercial janitorial and other facility services business is very competitive; (b) the Mint Condition System is currently operated in multiple states within the United States and is intended to expand to be national in scope; (c) Recipient by virtue of his or her Position will have access to the Confidential Information and will have close contacts with Mint Condition customers and Franchise Owners for the purpose of maintaining and further developing the business and goodwill of the System; (d) for these very reasons, the Position also provides Recipient with the attendant ability to divert customer trade and Franchise Owners; and (e) consequently, Franchisor and Master Franchise Owner each have strong legitimate interests in obtaining the covenants herein for the protection of their respective businesses and goodwill. Recipient therefore agrees that, without the express prior written consent of Franchisor and Master Franchise Owner, which either may withhold in its sole and absolute discretion, Recipient shall not, during the Time Period (as defined below), directly or indirectly, engage in, render services or provide financing to, or have any interest in, any Competitive Business (as defined below) located or conducting business within the Area (as defined below).

2.2 Time Period. For the purposes of Paragraph 2.1 of this Agreement, the term "Time Period" shall mean (a) for the period while Recipient holds a Position with Master Franchise Owner; and (b) after the Recipient no longer holds a Position with Master Franchise Owner, for a period of (i) twelve months if Recipient is or ever was an owner of 10% or more of Master Franchise Owner, or (ii) six months if Recipient was never an owner of 10% or more of Master Franchise Owner.

2.3 Competitive Business. For the purposes of Paragraph 2.1 of this Agreement, the term “Competitive Business” shall mean operating, or granting franchises or licenses to others to operate, a business providing janitorial or other facility services to commercial customers.

2.4 Area. For the purposes of Paragraph 2.1 of this Agreement, the term “Area” shall mean (a) the Territory as defined in the Master Franchise Agreement in which Master Franchise Owner provides or provided support and services to Mint Condition customers and Franchise Owners, and (b) a radius of 75 miles from the regional office through which Master Franchise Owner conducts or conducted its Mint Condition business, and (c) a radius of 75 miles from any other Mint Condition regional office operated by Franchisor or any of its other Master Franchise Owners in the state where Master Franchise Owner conducts or conducted its Mint Condition business, and (d) a radius of 75 miles from any other Mint Condition regional office operated by Franchisor, Master Franchise Owner or any of the Franchisor’s other Master Franchise Owners in any other state, and (e) any other country where Franchisor or its affiliates or their Franchise Owners are located or conducting business.

3. No Solicitation

3.1 Employees. Recipient agrees never to employ or solicit for employment any person who is at the time employed by Franchisor, Master Franchise Owner or any other Franchise Owner in the Mint Condition System, and Recipient agrees not to directly or indirectly induce any such person to leave their employment with Franchisor, Master Franchise Owner or any other Franchise Owner in the Mint Condition System.

3.2 Customers. Recipient agrees that during the time Recipient holds a Position with Master Franchise Owner, and after Recipient’s Position with Master Franchise Owner ends, except for solicitations Recipient makes on behalf of Master Franchise Owner, Recipient will never solicit as a customer for commercial janitorial or other facility services: (a) any Mint Condition customers serviced by Master Franchise Owner or its Franchise Owners during the period Recipient held a Position with Master Franchise Owner, or (b) any other persons or entities who were Mint Condition customers serviced by others during the period Recipient held a Position with Master Franchise Owner. Recipient also agrees that after Recipient no longer holds any Position with Master Franchise Owner, Recipient will not thereafter solicit as a customer for commercial janitorial services any prospective customers to whom Mint Condition had proposals or bids outstanding at the time Recipient’s Position with Master Franchise Owner ended.

3.3 Franchise Owner. Recipient agrees that during the time Recipient holds a Position with Master Franchise Owner, and after Recipient’s Position with Master Franchise Owner ends, except for solicitations Recipient makes on behalf of Master Franchise Owner, Recipient will never solicit as a Franchise Owner or employee to perform commercial janitorial or other facility services: (a) any Mint Condition Franchise Owner of Master Franchise Owner during the period Recipient held a Position with Master Franchise Owner, or (b) any Mint Condition Franchise Owner of Franchisor or any other master Franchise Owner during the period Recipient held a Position with Master Franchise Owner.

4. Modification

The covenants set forth in this Agreement shall each be construed as independent of any other covenant or provision of this or any other agreement. Franchisor may reduce the scope of the obligations under the covenants of this Agreement unilaterally and without the consent of any other person or entity, effective upon giving notice thereof to Master Franchise Owner and Recipient.

5. Remedies

5.1 Acknowledgements. Recipient acknowledges and agrees that in the event of the termination of Recipient's Position with Master Franchise Owner, Recipient's experience and capabilities are such that the Recipient can obtain employment and engage in business activities which are of a different or non-competing nature from those of the Position; and that the enforcement of a remedy of injunction will not prevent Recipient from earning a reasonable living. Recipient further acknowledges and agrees that the covenants contained in this Agreement are necessary for the protection of Master Franchise Owner's and Franchisor's legitimate business interests and are reasonable in scope and in content.

5.2 Trade Secret Laws. The remedies set forth in this Agreement are in addition to and cumulative of any rights or remedies that may be available to Franchisor and/or Master Franchise Owner under any applicable laws relating to trade secrets and/or unfair competition, and nothing contained in this Agreement shall be construed as a waiver of any rights or remedies available to Franchisor and/or Master Franchise Owner under any applicable law.

5.3 Injunctive Relief. In the event of an actual or threatened breach by Recipient of any of the provisions of this Agreement, Master Franchise Owner and Franchisor, or either of them, or their agents, shall immediately be entitled to injunctive relief, without posting bond, restraining Recipient from the breach or threatened breach without having to show any actual damage. It is specifically agreed that Master Franchise Owner and Franchisor, or either of them, may incur incalculable and irreparable damage from such violation, and that Master Franchise Owner and Franchisor, or either of them, have no adequate remedy at law and are entitled to injunctive relief, without bond, for any such actual or threatened violation. Nothing herein shall be construed as prohibiting Master Franchise Owner and Franchisor, or either of them, from pursuing any other available remedies for such breach.

6. Survival

The provisions of this Agreement shall survive the expiration or termination of any agreement or relationship between Master Franchise Owner and Recipient for any reason, and shall be enforceable, notwithstanding the existence of any claim or cause of action of Recipient against Master Franchise Owner and Franchisor, or either of them, predicated on any contact or other basis whatsoever.

7. Severability

In the event any term or provision of this Agreement is declared to be invalid or unenforceable for any reason, the provision shall be modified to the extent necessary to make it enforceable, or if it cannot be so modified, then severed, and the remaining terms of this Agreement shall remain in full force and effect, and it is hereby declared the intention of the parties that they would have executed the Agreement as so modified.

8. Notice

Any notice to be given to Recipient under this Agreement will be sufficient and deemed deliverable if it is in writing and delivered to the U.S. Post Office to be sent prepaid by certified or registered mail addressed to Recipient at his or her residential address as provided below, or to such other residential address as Recipient shall have provided in writing to both Master Franchise Owner and Franchisor.

9. General

Except as otherwise expressly stated herein, this Agreement contains the entire understanding between the parties with respect to the subjects hereof, and supersedes all prior oral and written negotiations and agreements. Except as provided in Paragraph 4 of this Agreement, this Agreement may be amended only by an instrument in writing signed by Master Franchise Owner and Recipient and approved in writing by Franchisor. The waiver of any breach or violation of this Agreement shall not be deemed to amend this Agreement and shall not constitute a waiver of any other or subsequent breach. Headings are for convenience and shall not limit or control interpretation. Words in this Agreement shall be deemed to refer to whatever number and gender the context requires. This Agreement shall be governed by the laws of the state in which Master Franchise Owner's Mint Condition business is conducted. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns. Franchisor shall be a third party beneficiary of this Agreement and entitled to enforce it as though Franchisor were a signatory. Should Franchisor or Master Franchise Owner be required to enforce its rights hereunder, it shall be entitled to recover its reasonable costs and expenses, including without limitation attorneys' fees.

Dated: _____, 20__

RECIPIENT

(Individually, and on behalf of all persons (For itself and on behalf of Franchisor); entities under Recipient's control):

(Signature)

(Name Printed or Typed)

Position(s) with Master Franchise Owner
(check all that apply and fill in blanks):

☐ _____ % Owner

☐ Director

☐ Officer _____
(provide title)

☐ Manager

☐ Assistant Manager

☐ Other _____ (specify)

(Residential Street Address)

(City, State, Zip Code)

ACCEPTED BY MASTER FRANCHISE OWNER

(Full Legal Name of Master Franchise Owner)

By: _____
(Signature)

(Name Printed or Typed)

Its: _____
(Title)

EXHIBIT J

AGREEMENT FOR ASSIGNMENT OF OFFICE LEASE

THIS AGREEMENT FOR ASSIGNMENT OF OFFICE LEASE (this "Agreement") is made and to be effective as of this ____ day of _____, 20__, by and among Mint Condition Franchising, Inc. a North Carolina corporation ("Mint Condition"), and _____ ("Lessee"), and _____ ("Lessor"), with respect to the lease ("Lease") by Lessor to Lessee of premises located at _____ (the "Approved Location") for the operation of a Mint Condition Master Franchised Business.

1. **Assignment.** Lessee hereby assigns to Mint Condition all of its rights and interests in and to the Lease; provided, however, that the assignment will become effective only upon Mint Condition's exercise of the option granted to Mint Condition under Paragraph 3 below. Mint Condition will have the right, in its sole discretion, to exercise the option if either of the two events specified in subparagraphs 1.1 or 1.2 occurs.

1.1 **Default Under Lease.** If Lessee defaults in the performance of any material term of the Lease, Lessor agrees to notify Mint Condition of the default at the same time and in the same manner as it notifies Lessee. Mint Condition will then have thirty (30) days from its receipt of the notice to exercise its option. If Mint Condition does not exercise the option, Lessor may terminate the Lease at the expiration of thirty (30) days from Mint Condition's receipt of the notice of default. Mint Condition will indemnify Lessor against all losses of rent suffered by Lessor as a result of the delay (beyond any time period required under the terms of the Lease or by applicable state law) in terminating the Lease caused by this subparagraph.

1.2 **Termination of Master Franchise Agreement.** Mint Condition may exercise its option immediately upon the termination of the Master Franchise Agreement.

2. **Consent to Assignment.** This Agreement will remain in effect during the entire term of the Lease and any and all renewals or extensions of the Lease. Lessor agrees that the Lease may not be amended, assigned, extended, renewed or surrendered, nor may the Approved Location, or any part of it, be sublet, nor may the Lease, or any interest in it be assigned or encumbered by Lessee, without the prior written consent of Mint Condition.

3. **Exercise of Option by Mint Condition.** Mint Condition may exercise the option granted in this Agreement by giving written notice to Lessee and Lessor. Lessee must vacate the premises immediately upon receiving the notice.

4. **Further Assignment to New Master Franchise Owner.** Upon notice to Lessor, Mint Condition shall have the right, concurrently with or subsequent to Mint Condition's exercise of the option granted in this Agreement, and without having to obtain

any further consent from Lessor, to assign its rights under the Lease to a new, substitute Master Franchise Owner to operate the Mint Condition's Master Franchise business, as selected by Mint Condition.

5. Attorneys' Fees and Costs. If legal action is necessary to enforce the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable compensation for its preparation, investigation and court costs and reasonable attorneys' fees, as fixed by a court of competent jurisdiction.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for Assignment of Office Lease to be effective as of the date set out in the opening paragraph.

MASTER FRANCHISE OWNER:

By: _____

Its: _____

FRANCHISOR: ("MINT CONDITION")
Mint Condition Franchising, Inc.

By: _____

Its: _____

LESSOR:

By: _____

Its: _____

EXHIBIT K

MINT CONDITION MASTER FRANCHISE OPERATIONS MANUAL TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Chapter 1: Use and Revision of Manuals	
1.0 Overview.....	1:1
1:1. Notice of Changes to the Manual.....	1:2
1.2 Temporary Changes Pending Revision of Manual	1:2
1.3 Revision of Manual	1:3
1.4 Distribution of the Manual	1:3
Attachment 1 – Manual Receipt	
 Chapter 2: Introduction to the Company	
2.0 Introduction to the Company	2:1
2.1 Company Mission and Goals.....	2:6
2.2 Company Personnel.....	2:10
2.3 Criteria for Success as a Franchise Owner	2:12
2.4 The Importance of Organization.....	2:23

Chapter 3: Image

3.0	Overview of the Company Image.....	3:1
3.1	Standards for Dress, Grooming and Behavior.....	3:8
3.2	Personal Image	3:11
3.3	Community Service.....	3:21

Chapter 4: Timetable for Opening

4.0	Introduction.....	4:1
4.1	Steps for Opening a Mint Condition Master Franchise	4:2
	Attachment 1 – Checklist for Opening	
	Attachment 2 – Office Furniture and Equipment	
	Attachment 3 – Initial Franchise Supplies List	
	Attachment 4 – Printed Items List	
	Attachment 5 – Office Supplies List	
	Attachment 6 – Franchise Supply List	

Chapter 5: Insurance

5.0	Introduction.....	5:1
5.1	Overall Coverage Requirements	5:1
5.2	Evidence of Coverage	5:3
5.3	Choosing an Insurance Broker or Agent	5:4
5.4	Risk Management.....	5:5

Chapter 6: Personnel

6.0	Introduction.....	6:1
6.1	Staff Positions	6:4
6.2	Scheduling.....	6:6
6.3	Personnel Policies	6:7
6.4	Recruiting New Employees	6:26
6.5	Interviewing and Hiring Techniques	6:26
6.6	Training.....	6:31
6.7	Telemarketer	6:33
6.8	The Field Consultant	6:40
6.9	The Account Executive	6:53
6.10	The Bookkeeper.....	6:66
6.11	Administrative Assistant	6:72
6.12	Operations Manager	6:80
6.13	Motivation.....	6:100
6.14	Terminations/Disciplinary Actions	6:100
6.15	Controlling Unemployment Costs	6:102
6.16	The Employee File	6:102
6.17	Resolving Employee Conflicts.....	6:104

Attachment 1 – Master Franchise Territory

Attachment 2 – Performance Appraisal

Attachment 3 – Absence Request

Attachment 4 – Personal Time Off Notice

Attachment 5 – Notice of Termination Form

Attachment 6 – Breaks and Meals Guidelines

Attachment 7 – Cell Phone Usage Guidelines

Attachment 8 – Progressive Discipline Guidelines

Attachment 9 – Employment Application

Attachment 10 – Exhibit ID Form

Attachment 11 – Employee Information Form

Attachment 12 – W-4 Form

Attachment 13 – Form I-9 Form

Attachment 14 – NC-4 Form

Attachment 15 – Acknowledgement Form & Direct Deposit Instructions

Attachment 16 – Telemarketing Strategy, Script and Critical Issues

Attachment 17 – Telemarketer Offer Letter

Attachment 18 - Field Supervisor Offer Letter

Attachment 19 – Scheduling Calendar

Attachment 20 – Organizational Chart

Attachment 21 - Account Executive Offer Letter

Attachment 22 – Accounting Vocabulary Test

Attachment 23 – Administrative Assistant Offer Letter

Attachment 24 – Operations Manager Offer Letter

Chapter 7: Administrative Operations

7.0	Introduction.....	7:1
7.1	Telephone Procedures.....	7:2
7.2	Hours of Office Operations.....	7:8
7.3	Daily Administrative Procedures.....	7:8
7.4	Weekly or Bi-Weekly Administrative Procedures	7:15
7.5	Monthly Administrative Duties	7:17
7.6	Quarterly Procedures	7:19
7.7	Twice Annual Procedures	7:21
7.8	Annual Administrative Procedures.....	7:22

Attachment 1 – NC Customer Supply Process Flow

Attachment 2 – Franchise Supply Process Flow

Attachment 3 – Franchisee Starter Kit Ordering Process

Attachment 4 – Contract Checklist Form

Attachment 5 – Contract Control Sheet Form

Chapter 8: Customer Service

8.0	The Importance of Customer Service	8:1
8.1	Points of Client Contact	8:4
8.2	Other Elements of Good Customer Service	8:5
8.3	Resolving Client Service Issues.....	8:6
8.4	Individual Franchise Owner Relations	8:11
8.5	Resolving Individual Franchise Owner Issues	8:14

Chapter 9 Pricing

9.0	Introduction.....	9:1
9.1	General Approach	9:1
9.2	Establishing Your Hourly Cleaning Rate	9:4
9.3	Discounting	9:5
9.4	Work Loading	9:5
9.5	Pricing Periodic Work and Supplies	9:8

Attachment 1 – Square Feet of Building Form

Attachment 2 – Maintenance Program Chart

Attachment 3 – Periodic Pricing

Attachment 4 – Supply List

Attachment 5 – List of Equipment Charges for TEAMBID

Attachment 6 - Account Estimating Sheet

Chapter 10 Operations

10.0	Introduction.....	10:1
10.1	Inspections	10:3
10.2	Visits with Franchise Owners	10:6
10.3	Handling Client Complaints	10:7
10.4	Temporarily Handling Accounts.....	10:11
10.5	Retaining Subcontractors	10:12

Attachment 1 – Inspection Report

Attachment 2 – Immediate Attention Form

Attachment 3 – Second Warning Letter Sample

Attachment 4 – Franchise Review Form

Attachment 5 – Introductory Letter - Subcontractor

Attachment 6 - Application for Sub Contracting

Attachment 7 – Sub Contractor Interview Sheet

Attachment 8 – Janitorial Service Subcontract

Chapter 11 Marketing for Franchise Owners

11.1	Introduction.....	11:1
11.1	Budget.....	11:4
11.2	Available Materials.....	11:10
11.3	Media Mix.....	11:11
11.4	Media Selection	11:12
11.5	Soliciting Sub Contractors	11:23

Attachment 1 – Sample Print Ad

Attachment 2 – Sample Television Cable Spots and Schedule

Attachment 3 – Sample Radio Spot

Attachment 4 – Franchisee Preliminary Application

Attachment 5 – Referral Program Insert

Attachment 6 – Introduction Letter to Subcontractor

Attachment 7 – Application for Subcontracting

Chapter 12 Sales for Cleaning Accounts

12.0	Introduction.....	12:1
12.1	Proper Account Mix.....	12:1
12.2	Market Research	12:3
12.3	Introduction to Sales	12:6
12.4	Important Qualities to Develop.....	12:7
12.5	Telemarketing	12:13
12.6	Steps in the Selling Process	12:16
12.7	Points to Consider in the Presentation	12:31
12.8	Overcoming Objections	12:33
12.9	Work Loading.....	12:36

Attachment 1 – Account Pricing

Attachment 2 – Telemarketing Strategy and Critical Issues

Attachment 3 – Telemarketing Script

Attachment 4 – Helpful Hints in the Telemarketing Process

Attachment 5 – Questions to Ask Prospective Customers

Attachment 6 – Account Estimating Sheet

Attachment 7 – Square Feet of Building Form

Attachment 8 – Maintenance Program Chart

Chapter 13 Sales for Individual Franchise Owners

13.0	Introduction.....	13:1
13.1	Timing.....	13:1
13.2	Steps in the Sales Process for Individual Franchises	13:3
13.3	Steps to Take after Signing up the New Franchise Owner	13:16
13.4	Points to be Considered in the Sales Process.....	13:17

Attachment 1 – Franchise Prospect Phone Interview Form

Attachment 2 – Franchise Prospect Letter

Attachment 3 – Franchise Prospect Preliminary Application

Attachment 4 – Ideal Characteristics for a Franchisee

Attachment 5 – Market Sold Out Sample Letter

Attachment 6 – FDD Meeting Presentation Sample

Attachment 7 – Franchise Prospect Initial Interview Form

Attachment 8 – Cash Flow Analysis Form with Sample

Attachment 9 – Exhibit A – Non Exclusive Territory and Franchised Business Locations

Attachment 10 – Exhibit B – Initial Business Plan

Attachment 11 – Promissory Note Sample

Attachment 12 – Exhibit K – Initial Equipment & Supply Package #1, #2

Attachment 13 – Equipment Promissory Note Sample

Attachment 14 – Charlotte, NC Registration Information

Attachment 15 – Notification and Release Form

Attachment 16 – Exhibit E – Guarantee Agreement

Attachment 17 – W-9 Form

Attachment 18 – Exhibit ID

Attachment 19 – Training Request Form

Attachment 20 – Franchisee File Set-Up Instructions

Chapter 14 Bookkeeping

14.0	Overview.....	14:1
14.1	Forms of Payment.....	14:2
14.2	Processing Incoming Payments and Preparing the Deposit.....	14:3
14.3	Reports	14:4
14.4	Promissory Notes.....	14:7
14.5	Accounts Payable.....	14:7
14.6	Accounts Receivable.....	14:9
14.7	Paying Individual Franchise Owners	14:11
14.8	Invoicing for Supplies.....	14:12
14.9	Banking Procedures	14:13
14.10	Payroll.....	14:16
14.11	Tax Forms	14:18
14.12	Payments from Master Franchise Owner to Master Franchisor	14:21
14.13	Annual Audit.....	14:23

Attachment 1 – Monthly Sales Form

Attachment 2 – Promissory Note Sample

EXHIBIT L

STATE ADDENDA

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

If Mint Condition Franchising, Inc. offers you a franchise, it must provide this Franchise Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Washington require that we give you this Franchise Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Mint Condition Franchising, Inc. does not deliver this Franchise 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 the state agency listed on Exhibit A.

The franchise seller for this offering is John Saumby, President, Mint Condition Franchising, Inc., located at 1057 ~~Red Ventures~~ ~~521 Corporate Center Drive~~, Suite 165, Fort Mill, South Carolina 29707 and his telephone number is (803) 548-6121.

Issuance date: February 20, 2014~~3~~.

Mint Condition authorizes the respective state agencies identified on Exhibit B to receive service of process for it in the particular state.

I have received a Franchise Disclosure Document dated February 20, 2014~~3~~ that included the following Exhibits:

Exhibit A: List of Administrators	Exhibit H: List of Mint Condition Franchise Businesses
Exhibit B: Agents for Service of Process	Exhibit I: Non-Disclosure and Non-Competition Agreement
Exhibit C: Intentionally Deleted	
Exhibit D: Master Franchise Agreement	
Exhibit D-1 – Individual Franchise Agreement Template	
Exhibit E: Audited Financial Statements	Exhibit J: Agreement for Assignment of Office Lease
Exhibit F: Confidentiality and Non-Disclosure Agreement	Exhibit K: Table of Contents for Master Franchise Manual
Exhibit G: Guaranty of Master Franchise's Owner's Undertakings	Exhibit L: State Addenda to Disclosure Document

Date: _____

Signature of Prospective Franchisee
(Print Name)

You may return the signed receipt either by signing, dating, and mailing it to Mint Condition Franchising, Inc. at 1057 ~~Red Ventures~~ ~~521 Corporate Center Drive~~, Suite 165, Fort Mill, South Carolina 29707, or by faxing a copy of the signed and dated receipt to Mint Condition at (803) 548-4578. (THIS COPY IS TO BE RETAINED BY YOU)

Master FDD 02/20/14~~3~~

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

If Mint Condition Franchising, Inc. offers you a franchise, it must provide this Franchise Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Washington require that we give you this Franchise Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Mint Condition Franchising, Inc. does not deliver this Franchise 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 the state agency listed on Exhibit A.

The franchise seller for this offering is John Saumby, President, Mint Condition Franchising, Inc., located at 1057 ~~Red Ventures~~ ~~521 Corporate Center~~ Drive, Suite 165, Fort Mill, South Carolina 29707 and his telephone number is (803) 548 6121.

Issuance date: February 20, 201~~4~~3.

Mint Condition authorizes the respective state agencies identified on Exhibit B to receive service of process for it in the particular state.

I have received a Franchise Disclosure Document dated February 20, 201~~4~~3 that included the following Exhibits:

Exhibit A: State Administrators	Exhibit H: List of Mint Condition Franchise Businesses
Exhibit B: Agents for Service of Process	Exhibit I: Non-Disclosure and Non-Competition Agreement
Exhibit C: Intentionally Deleted	
Exhibit D: Master Franchise Agreement	
Exhibit D-1 – Individual Franchise Agreement Template	
Exhibit E: Audited Financial Statements	Exhibit J: Agreement for Assignment of Office Lease
Exhibit F: Confidentiality and Non-Disclosure Agreement	Exhibit K: Table of Contents for Master Franchise Manual
Exhibit G: Guaranty of Master Franchise's Owner's Undertakings	Exhibit L: State Addenda to Disclosure Document

Date: _____

Signature of Prospective Franchisee
(Print Name)

You may return the signed receipt either by signing, dating, and mailing it to Mint Condition Franchising, Inc. at 1057 ~~Red Ventures~~ ~~521 Corporate Center~~ Drive, Suite 165, Fort Mill, South Carolina 29707, or by faxing a copy of the signed and dated receipt to Mint Condition at (803) 548-4578.

(TO BE RETURNED TO MINT CONDITION FRANCHISING, INC.)

Master FDD 02/20/1~~4~~3