

FRANCHISE DISCLOSURE DOCUMENT

Faith Franchising Company, LLC
3450 East Lake Road, Suite 200
Palm Harbor, Florida 34685
(727) 754-5990
www.officepridefranchise.com



The franchise offered is for the operation of a single unit **OFFICE PRIDE®** janitorial service business that sells and performs janitorial services, related services and ancillary goods in office buildings, retail buildings, medical buildings, commercial buildings, churches and other commercial facilities that require routine contract cleaning to create or maintain a clean work environment.

The total investment necessary to begin operation of a single unit **OFFICE PRIDE®** franchise is from \$74,400 to \$120,600. This includes \$39,000 that must be paid to us or our affiliates. If you currently operate a commercial cleaning business, you may convert your existing business to an **OFFICE PRIDE®** franchise. The total investment necessary to begin operation of a conversion **OFFICE PRIDE®** franchise ranges from \$5,000 to \$63,400. This includes \$0 to \$39,000 that must be paid to us or our affiliates.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our Franchise Development Team at 3450 East Lake Road, Suite 200, Palm Harbor, FL 34685 (727) 754-5990.

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

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

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

Issuance Date: April 14, 2023

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

- 1. Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Florida. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Florida than in your own state.
- 2. Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate the business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

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

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

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

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000.00, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee or subfranchisor until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

The fact that there is a notice of this Offering on file with the Attorney General does not constitute approval, recommendation, or endorsement by the Attorney General.

Any questions regarding the notice should be directed to:

State of Michigan
Consumer Protection Division
Attention: Franchise
670 Law Building
Lansing, Michigan 48913
Telephone Number: (517) 373-3800

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ITEM 1
THE FRANCHISOR, ANY PARENTS, PREDECESSORS AND AFFILIATES

The name of the franchisor is FAITH FRANCHISING COMPANY, LLC. Faith Franchising Company, LLC was first formed as an Indiana corporation (Faith Franchising Company, Inc.) in July 1995, and it was converted to a Delaware limited liability company on November 29, 2021. Faith Franchising Company, LLC's principal business address is 3450 East Lake Road, Suite 200, Palm Harbor, Florida 34685. Faith Franchising Company, LLC does business under its corporate name, under the **OFFICE PRIDE®** name and under the OFFICE PRIDE USA® name.

See attached Exhibit C for a list of Faith Franchising Company, LLC's agent(s) for service of process.

Faith Franchising Company, LLC is referred to in this Disclosure Document as "Franchisor," "we," "us," or "our" in context. We will refer to franchisees as "you" and "your" in context.

Parents, Affiliates and Predecessors

Our immediate parent and predecessor is Office Pride, LLC, a Delaware limited liability company ("Parent"). Parent was originally formed as a corporation under Indiana law in April 1992 and was converted to a Delaware limited liability company on November 29, 2021 in connection with a corporate reorganization ("Reorganization") effective immediately prior to Parent's transaction with Trivest Partners, L.P. described below (the "Transaction"). Parent provides various administrative services to us and other businesses. Parent began as a sole proprietorship under J. Todd Hopkins (our Chief Executive Officer and President) in March 1992. Parent has not in the past offered, and does not now offer, franchises for the same type of business as the **OFFICE PRIDE®** franchise. Parent has never sold franchises of any type.

As part of the Reorganization, on November 24, 2021, Parent became a wholly-owned subsidiary of Office Pride Holdings, Inc., a Delaware corporation ("Holdings"), and on December 1, 2021, in connection with the Transaction, OPI Franchise Acquisition Corporation, a Delaware corporation ("OPIFAC") acquired 100% of the membership interests in Parent, pursuant to the terms of the Membership Interest Purchase Agreement dated December 1, 2021, among Parent, Holdings, OPIFAC, and OPIFAC's parent, OPI Franchise Holding Corporation, a Delaware corporation. Parent is now a wholly-owned subsidiary of OPIFAC, which is ultimately controlled by investment funds affiliated with Trivest Partners, L.P., a private equity investment firm.

The name and principal business address of each of our direct or indirect parents are as follows:

Name of Company	Principal Business Address	Parent Entity
Trivest Discovery Partners GP, LLC	550 South Dixie Highway Suite 300 Coral Gables, Florida 33146	Affiliate of Trivest Partners, L.P.
Trivest Discovery Fund, L.P.	550 South Dixie Highway Suite 300 Coral Gables, Florida 33146	Trivest Discovery Partners GP, LLC
OPI Franchise Holding Corporation	550 South Dixie Highway Suite 300 Coral Gables, Florida 33146	Trivest Discovery Fund, L.P.

Name of Company	Principal Business Address	Parent Entity
OPI Franchise Acquisition Corporation (“OPIFAC”)	550 South Dixie Highway Suite 300 Coral Gables, Florida 33146	OPI Franchise Holding Corporation
Office Pride, LLC (“Parent”)	3450 East Lake Road, Suite 200, Palm Harbor, Florida 34685	OPIFAC

We are a franchise company that, since December 22, 1995, sells and supports **OFFICE PRIDE®** franchises. We have not in the past and do not now engage in other business activities.

Our affiliate, Office Pride Billing Service LLC (“OPBS”), provides products and services to our franchisees including, by way of example only, billing and collections services and/or pass-through or distribution of funds. OPBS was originally formed as an Indiana corporation on November 7, 2011 and was converted to a Delaware limited liability company on November 29, 2021. OPBS’ principal business address is 3450 East Lake Road, Suite 200, Palm Harbor, FL 34685. OPBS does not operate a business similar to the one offered under this Disclosure Document and does not, and has not, offered franchises in any line of business.

Our affiliate, OP M&A Holdings, LLC (“OPMA”), a Delaware limited liability company formed on July 14, 2022, with a principal business address of 3450 East Lake Road, Suite 200, Palm Harbor, FL 34685, has operated two **OFFICE PRIDE®** businesses in Iowa since July 2022. OPMA does not, and has not, offered franchises in any line of business.

In addition to the unit franchise offered under this Disclosure Document, we have in the past offered area developer franchises under the **OFFICE PRIDE®** trademarks (the “Area Developer Franchise”). The Area Developer Franchise was offered under a separate Disclosure Document. We did not offer Area Developer Franchises in all states and are not currently offering new Area Developer franchises, although we may be offering to renew existing Area Developer franchises. Under the terms of our Area Developer Franchise, we granted third parties (“Area Developers”) the right to recruit, develop and provide ongoing support and service to single unit **OFFICE PRIDE®** franchises located inside the Area Developer’s trade area. Some Area Developers also may own a Franchised Business (as described below). While our Area Developers will be involved in recruiting prospective franchisees, our Area Developers do not have management responsibility on our behalf relating to the sale or operation of single unit franchises. We do not offer franchises in other lines of business.

Single Unit Franchise

An **OFFICE PRIDE®** single unit franchise (“Franchised Business” or “Business”) is a janitorial service business that sells and performs janitorial services, related services and ancillary goods in office buildings, retail buildings, medical buildings, commercial buildings, churches and other commercial facilities that require routine contract cleaning to create or maintain a clean work environment. You will sign a Franchise Agreement in the form attached as Exhibit A-1 (the “Franchise Agreement”). If you currently operate a commercial cleaning business, you may convert your existing business to an **OFFICE PRIDE®** franchise. A conversion franchise is offered to those qualifying existing businesses who have been in operation for at least 2 years and otherwise meet our conversion criteria, which include having gross billings of more than \$250,000 per year (“Conversion Franchise”). For each Conversion Franchise, the franchisee will sign the Franchise Agreement and the Conversion Addendum attached as Exhibit A-5 to the Franchise Agreement. In Items 5-7 we describe modifications for a Conversion Franchise,

including the initial franchise fee, other payments and estimated initial investment. Unless otherwise specifically noted, the information included in this Disclosure Document applies to the Conversion Franchise.

You are responsible for obtaining your own commercial cleaning customers and accounts, including negotiating all customer contracts, determining the services to be provided and resolving all customer complaints. We, our affiliates or an Area Developer (if applicable), however, may, but are not obligated to, obtain commercial cleaning customers for you, which may include from time to time national accounts. From time to time, we may review the contracts/accounts you obtain to ensure that the services you provide are authorized and comply with our system requirements. We do not require you to maintain a specific number of customers or cleaning accounts or to maintain a specific sales volume. If we, our affiliates or an Area Developer (if applicable) secures a commercial cleaning customer or account for your **OFFICE PRIDE®** franchise, you may be required to pay us, our affiliates, or your Area Developer a Customer Development Fee which will be calculated based on a number of factors including, among others, the price per cleaning, the number of cleanings per month, the length of the cleaning contract, the credit worthiness of the account, the distance that must be traveled to and from the account, the proximity of other accounts in the neighborhood, past experience with the account, and the specific cleaning needs of the account.

The market for your single unit franchise will be defined in the franchise agreement, but an exclusive territory is not granted as part of the franchise.

Single unit **OFFICE PRIDE®** franchises may now or in the future be assigned to an Area Developer. Accordingly, if an Area Developer's trade area includes your Franchised Business, our responsibilities to you may be assigned to the Area Developer for your trade area.

Market Competition and Rules and Regulations

The general market in which **OFFICE PRIDE®** franchises will operate is well established. There is no seasonality in this business. Generally, there is strong competition from similar businesses, including independent businesses or members of regional, national or international chains.

You must operate your Franchised Business in full compliance with all applicable federal, state and local laws, rules, ordinances and regulations, including, without limitation, government regulations relating to occupational hazards, health, EEOC, OSHA, discrimination, employment, sexual harassment, worker's compensation and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. You should consult with your attorney concerning those and other local laws and ordinances that may affect the operation of your Franchised Business. Additionally, your Franchised Business must comply with any laws governing the use and storage of cleaning chemicals.

ITEM 2 **BUSINESS EXPERIENCE**

Joshua Weis, Chief Executive Officer

Joshua Weis has been our Chief Executive Officer since May 2022. Mr. Weis also serves in those same positions for our Parent and OPBS. Prior to joining us, he served as Executive Vice President for Ministry Brands based in Tampa, Florida, from April 2016 to March 2022.

J. Todd Hopkins, Chief Visionary Officer and Founder

J. Todd Hopkins is our Chief Visionary Officer, a position he has held since May 2022. Mr. Hopkins also is our Founder. He was our Chief Executive Officer and President from July 1995 to May 2022. He served as our Chairman and Treasurer from July 1995 to December 2021.

Jeff McMullen, Chief Financial Officer

Jeff McMullen has been our Chief Financial Officer since October 2019. Mr. McMullen also serves in those same positions for our Parent and OPBS. From January 2019 to October 2019, he served as Chief Financial Officer at Windmoor Healthcare in Clearwater, Florida. From June 2013 to August 2018, Mr. McMullen served as Chief Financial Officer at North Tampa Behavioral Health in Wesley Chapel, Florida.

Patrick Durkee, Chief Operating Officer

Patrick Durkee has been our Chief Operating Officer since September 2020. Mr. Durkee also serves in those same positions for our Parent and OPBS. From July 2018 to September 2020, he served as Vice President of Operations for Tradesmen International in Macedonia, Ohio. From October 2009 to March 2018, Mr. Durkee served in various senior leadership roles across the ServiceMaster family of brands in Memphis, Tennessee.

Joe Ross, Vice President of Franchise Development

Joe Ross has served as our VP of Franchise Development since September 2022 and performs his duties from Charlotte, North Carolina. Before joining Office Pride, from August 2016 to September 2022, Mr. Ross served as Managing Director for the Americas and Europe for Business Network International (BNI) based in Charlotte, North Carolina.

James Hopkins, Vice President of Finance

James Hopkins has been our Vice President of Finance since March 2023. Mr Hopkins serves in those same positions for our Parent and OPBS. From August 2018 to March 2023, he served as our Director of Corporate Finance, and from August 2014 to August 2018 Mr. Hopkins he served as our Company Accountant.

Hiram Rodriguez, Director of Operations

Hiram Rodriguez has been our Director of Operations since January 2021. From February 2019 to December 2020, he served as our Franchise Business Consultant. From December 2012 to January 2019, Mr. Rodriguez served as Director of Operations for Scratch Concepts, LLC Restaurant Franchising in Tampa, Florida.

Joseph Arena, Director of Marketing and Branding

Joseph Arena is our Director of Marketing & Branding, a position has held since November 2022. Prior to joining us, he was a private consultant based in Jasper, Indiana from December 2018 to November 2022. From November 2015 to December 2018, he served as Senior Director of Marketing & Digital for Fortune Brands Home & Security based in Jasper, Indiana.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

You will pay us an Initial Franchise Fee in the amount of \$39,000, although the Initial Franchise Fee is reduced to (i) \$25,000 if you are a qualifying existing franchisee approved to open an additional single unit franchise, or (ii) \$29,000 if you are a franchisee who we confirm was initially referred to us from an existing **OFFICE PRIDE®** franchisee as part of our franchisee referral program noted below in this Item 5.

You will pay the Initial Franchise Fee when you sign your Franchise Agreement, except as noted below. The Initial Franchise Fee is not refundable for any reason, except if you (or your managing shareholder or partner) fail to successfully complete our initial training program to our satisfaction, in which case we may terminate your Franchise Agreement. In that instance, we will refund \$5,000 of the Initial Franchise Fee to you if you request in writing within 30 days of the termination.

If you currently operate a commercial cleaning business that meets our qualifying criteria for a Conversion Franchise, and you desire to convert your existing business to an **OFFICE PRIDE®** Business, we will waive the Initial Franchise Fee as part of the Conversion Franchise. The qualifying criteria includes completing training to our satisfaction. If you don't meet the qualifying criteria for the waiver of the Initial Franchise Fee, your Initial Franchise Fee will be \$39,000 minus an amount equal to 2 months of qualified gross invoicing for your existing business prior to the conversion. For example, if your last 2 months of qualified gross invoicing is \$20,000, the Initial Franchise Fee will be \$19,000 (\$39,000 - \$20,000).

During our 2022 fiscal year, we waived the Initial Franchise Fees for a Conversion Franchise.

See Item 10 for information regarding financing your Initial Franchise Fee.

Any person who has been honorably discharged from any branch of the U.S. Armed Forces (or the spouse of honorably discharged veteran) who becomes a franchisee will receive a 25% reduction in the Initial Franchise Fee.

As of the date of this Disclosure Document, we offer a referral incentive program that pays \$10,000 to an existing franchisee or franchisee employee who directly refers a candidate to us who becomes a new **OFFICE PRIDE®** franchisee in a new location within 6 months of the date of referral. The incentive payment is only paid with respect to the first franchise purchased by the referred new franchisee and other limitations may apply. We may change or eliminate the referral program at any time without notice. Franchisees participating in the referral program are not our sales agents.

ITEM 6
OTHER FEES¹

Type of Fee	Amount	Due Date	Remarks
Royalty	9% of Revenue Sales Collected ²	Collected by us on a weekly basis. We reserve the right to change our invoicing and collection process at any time	If you operate a Conversion Franchise, we may modify the Royalty.
Processing Fee ³	Currently, 1.5% of Revenue Sales Collected per calendar week. After 1 year from completion of classroom training, the greater of 1.5% or \$65 dollars will be collected per calendar week.	Concurrently with our collection of the Royalty	We reserve the right to increase the Processing Fee upon 30 days advance written notice. Any increase to the Processing Fee will reflect an increase in the actual costs we incur to collect and invoice customers on your behalf.
Advertising Fund Fee	1% of Revenue Sales Collected	When the Royalty is paid	We reserve the right to increase the Advertising Fund Fee up to 2% of Revenue Sales collected, although we will not increase the percentage by more than .5% in any given calendar year.
Minimum Local Marketing Spend ⁴	The lower each month of 2% of Revenue Sales Collected for the prior month or \$500	Monthly	<p>We may designate local advertising markets and advertising cooperatives and/or local marketing groups for such markets (collectively, “LMGs”), and if designated, you must participate in and contribute to the LMG’s advertising and marketing programs in your market.</p> <p>Your contribution to the LMG will count towards any required Minimum Local Marketing Spend but any required Minimum Local Marketing Spending will not represent a limit on your LMG contributions. (see Item 11). We will determine the amount of member contribution, which will be a percentage of Gross Sales and will not to exceed 3% of Revenue Sales Collected.</p>

Type of Fee	Amount	Due Date	Remarks
Insurance	Cost of insurance (currently, \$4,000-\$7,000 on an annual basis)	As incurred	If you fail to obtain or maintain required insurance, we may, but are not obligated to, obtain insurance and seek reimbursement for insurance premiums paid.
Retreat Fee ⁵	\$500 per year	Annually. The fee will be deducted from the a pass-through check as we designate in advance	If you attend the retreat, the payment will be refunded to you to be applied to your overall cost of attending. You will pay the Retreat Fee regardless of whether you attend the retreat.
Technology Fee ⁷	\$250 per month	Collected by us on a weekly basis, beginning 2 months after completion of initial training.	We will deduct the Technology Fee each week as part of your weekly pass through. We reserve the right to increase the Technology Fee to cover increased costs or new technology/software.
Transfer Fee	\$6,000	Concurrently with the transfer	
Renewal Franchise Fee	10% of then current Initial Franchise Fee	Concurrently with our granting a successor franchise to you	You must also complete the then-current training.
Customer Development Fee ⁶	Varies by customer account	As we and you agree	You only pay us, our affiliates, or your Area Developer a Customer Development Fee if you request or agree to accept help from us, our affiliates, or an Area Developer in locating customer accounts.
Auditing Costs	Varies under the circumstances (generally \$300 to \$500 per day)	Reimbursement of our actual auditing costs	You must reimburse us for our auditing costs if we must audit you because you fail to timely provide us with required reports.
Attorneys' Fees and Cost of Collection	Varies under the circumstances	When incurred	We may recover costs and reasonable attorneys' fees incurred in our efforts to collect monies owed by you to us or if you lose in a dispute with us.
Administration Fee	Currently, \$200 per breach	Upon 30 days' notice	Payable if you bill and/or collect any Revenue Sales Collected directly from a customer. We reserve the right to modify the Administration Fee upon 30 days advance written notice.
Conversion Franchise Repayment ⁸	Varies under the circumstances	Upon written notice	See Note 8 below regarding when a Conversion Franchisee must repay the Conversion Payment.

Type of Fee	Amount	Due Date	Remarks
			This applies to Conversion Franchises only.
Advance Fee	\$100 per advance request	Collected by us if and when advances are processed, we reserve the right to change our advance and/or our invoicing and collection process at any time	If you request an advance on your Revenue Sales Collected, we may charge you an Advance Fee for each request.
Refresher Training Fees	\$250 per day, on average	As we and you agree	We may require you or your managing shareholder or partner to attend periodic refresher training and may charge a fee.
Additional Training or Support	\$300 to \$1,000 per day	As we and you agree	At your request, we may furnish additional training or support and may charge you a fee, including reimbursement for any travel or living expenses we incur in connection with providing this additional training or support.
Interest	6% or less	When underlying obligation is paid ⁹	All amounts owed to us will bear interest at rate of 6% or less.

Notes:

¹Unless otherwise noted, the fees in Item 6 above are paid to us, are nonrefundable and are uniformly imposed. Franchisees operating under older forms of franchise agreement may still pay fees that were offered at that time, and those fees may be different than the fees included in this Item 6.

²Revenue Sales Collected” shall include and mean all revenue collected from the operation of your Business, and whether from cash, check, electronic or credit transactions, but excluding all federal, state or municipal sales, use or service taxes collected from customers and paid to the appropriate taxing authority and excluding customer refunds, adjustments, credits and allowances actually made by the Business in compliance with the Methods of Operations. You are solely responsible and liable for paying all applicable state and federal taxes based on the operation of your Business. We do not pay any state or federal taxes on your behalf and are under no obligation to do so, unless we pay taxes on your behalf as part of the billing services OPBS provides. You are solely responsible for any refunds due to your customers from your Business.

If a franchisee obtains a certain volume of billing revenue during a calendar month, we may rebate back to the franchisee a certain percentage of the royalties paid by the franchisee during the prior month. Specifically, we will rebate back to a franchisee the following amounts depending on franchisee’s total Revenue Sales Invoiced:

Monthly Revenue Sales Invoiced	Rebate Amount (Paid Monthly)
\$0 - \$49,999	No Rebate
\$50,000 - \$99,999	1% of all monthly Sales Revenue Collected over \$50,000
\$100,000 - \$299,999	An additional 1% (total of 2%) of all monthly Sales Revenue Collected over \$100,000

Monthly Revenue Sales Invoiced	Rebate Amount (Paid Monthly)
\$300,000+	An additional 1% (total of 3%) of all monthly Sales Revenue Collected over \$300,000

The rebate amount will be paid to you by the last day of the following month. From time to time, we also may approve in writing a large customer rebate for a customer that you obtain that meets our large customer qualifying criteria. The large customer rebate is separate from the billing revenue volume rebate. We reserve the right to change how we calculate and pay rebates at any time with 30 days' written notice as well as the large customer qualifying criteria.

“Revenue Sales Invoiced” means all sales invoiced from the operation of your Business to customers, in accordance with the Methods of Operations, but excluding all federal, state or municipal sales, use or service taxes invoiced to customers and paid to the appropriate taxing authority, and adjusted by customer refunds, adjustments, credits and allowances actually made by the Business. You acknowledge and agree that it is your sole and exclusive obligation to pay all state and federal taxes for your Business. You are solely responsible for any refunds due to your customers from your Business.

³Local Marketing Spend - You shall spend this amount on approved internet marketing, direct mail, promotional collateral, novelty items and other approved items. If you fail to make the required expenditures, we have the right to collect the deficiency and spend it as we determine appropriate. We reserve the right to require you to use one or more designated vendors in connection with your local marketing and promotional activities. In addition, we reserve the right to collect (on a monthly or quarterly basis, as we may from time to time designate) the Minimum Local Marketing Spend and in return provide to you local promotional, marketing and advertising materials and related services to promote your Business. The amount you spend on you Local Marketing Spend is in addition to the amount you contribute to the Advertising Fund.

⁴Processing Fee – This fee is paid to cover our or our affiliate’s costs and expenses incurred in collecting and invoicing customers on your behalf. We may designate a third party source to provide this service. At such time you will pay us, our affiliate or the third party source this amount, or any other amount the third party source requires.

Any franchisee with Revenue Sales Collected over \$2 million in one calendar year shall pay a reduced Processing Fee of .25% for the portion of Revenue Sales Collected above \$2 million in that single calendar year. This discount may be facilitated in the form of an annual rebate. We reserve the right to change how we calculate and pay rebates at any time with 30 days' written notice.

⁵If you attend the Franchise Retreat, we will refund the Retreat Fee to you to help cover your cost of attending the Franchise Retreat. If you fail to attend the Franchise Retreat, we will not refund the Retreat Fee.

⁶If you want us, our affiliates, or an Area Developer to assist you with locating customer accounts and we, our affiliates, or an Area Developer agree to provide you with such assistance, you must pay us, such affiliate, or the Area Developer a Customer Development Fee in accordance with the method of calculation stated in the Methods of Operations.

⁷The Technology Fee provides you with access to our franchise growth, management and learning software.

⁸In connection with a qualifying Conversion Franchise, we will pay the converting franchisee a Conversion Payment equal to a multiple of 6-9% of the converting franchisee’s Trailing 12 Month Sales. You and we will determine the exact amount and timing of the Conversion Payment and other related conditions, with

those terms to be included in the Conversion Addendum to the Franchise Agreement (Exhibit A-5). In the event the Franchise Agreement is terminated for any reason prior to the 5th anniversary of the Effective Date, you agree to repay all or part of the Conversion Payment as agreed to in the Conversion Addendum, except in the instance of an approved transfer when the Franchise Agreement is terminated as part of your sale of the Business to an approved buyer.

⁹Interest begins from the date any payment is due.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT*

A. NEW FRANCHISEES**

Type of Expenditure	Amount**	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee ¹	\$39,000	Lump Sum	When you sign the franchise agreement	Us
New Customer Leads Fee	\$2,500-\$5,000	Lump Sum	As Arranged	Approved Suppliers
Leasehold Improvements ²	\$0	Not Applicable	Not Applicable	Not Applicable
Signs ³	\$0	Not Applicable	Not Applicable	Not Applicable
Cleaning Equipment Supplies, Materials and Ancillary Goods ⁴	\$3,000 - \$7,000	As Arranged	As Arranged	Approved Suppliers
Office Equipment and Supplies ⁵	\$500 - \$3,500	As Arranged	As Arranged	Approved Suppliers
Computer System ⁶	\$0 - \$2,000	As Arranged	As Arranged	Third Parties
Insurance	\$4,000 - \$7,000	As Arranged	As Arranged	Insurance premiums for the first year payable to insurance company
Other Deposits	\$100 - \$2,700	As Arranged	As Arranged	Estimated for leased equipment, telephone, utilities, vehicle, etc.
Professional Fees	\$200 - \$2,000	As Arranged	As Arranged	For accountants and lawyers
Training Expenses	\$0 - \$2,100	As Arranged	As Arranged	Estimated expenses for attending initial training; i.e., travel and living expenses
Licenses and/or Bonds	\$100 - \$300	As Arranged	As Arranged	Fees paid to government agencies and/or insurance or bonding companies
Additional Funds ⁷ (3 months)	\$25,000 - \$50,000	As Arranged during the first three months of operation.	As Arranged during the first three months of operation.	Needed for various operating expenses like payroll, supplies, cleaning equipment, marketing, bank fees, etc. and is dependent on how fast you grow
Total	\$74,400 - \$120,600			

Notes:

* If you operate a Conversion Franchise, your estimated initial investment is described in a separate table below in this Item 7.

** Except where noted, all amounts that you pay to us or our affiliates are non-refundable. Third party suppliers will decide if payments to them are refundable.

¹The Initial Franchise Fee is not refundable for any reason, except if you (or your managing shareholder or partner) fail to successfully complete initial training to our satisfaction, in which case we may terminate the Franchise Agreement and refund \$5,000 of the Initial Franchise Fee to you if you request the refund within 30 days of termination. See Item 10 for more information regarding financing. The Initial Franchise Fee is reduced (i) \$25,000 if you are a qualifying existing franchisee approved to open an additional single unit franchise, or (ii) \$29,000 if you are a franchisee who we confirm was initially referred to us from an existing **OFFICE PRIDE®** franchisee as part of our franchisee referral program.

²You may operate the franchise from your home or office. We assume your home or office will not need improvements.

³We do not require you to purchase any signage for the operation of an **OFFICE PRIDE®** franchise. We have used Advertising Fund Fees to design a vehicle logo package and vehicle wrap package. You are not required to purchase a vehicle, vehicle logo package or vehicle wrap package for your **OFFICE PRIDE®** franchise, but if you choose to have a logo or wrap for your vehicle, it must be our approved logo or wrap package.

⁴You must purchase all cleaning equipment, cleaning supplies, materials and ancillary goods that meet our standards and specifications that are necessary to operate your business. Depending on the growth of your business during the first three months, you may need to purchase additional cleaning supplies, materials and goods.

⁵This estimate includes the cost for office equipment and supplies, including a telephone and filing cabinet, needed to start your business.

⁶You must obtain a computer system that meets our hardware and software standards and specifications. In some instances, your personal computer may be used.

⁷This amount is projected as sufficient to cover your other initial operating expenses. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. This amount does not end your initial investments obligations. We have used our and our affiliates' 30 years of experience in the business to compile these estimates.

YOUR ESTIMATED INITIAL INVESTMENT

B. CONVERSION FRANCHISEES

Type of Expenditure	Amount*	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee ¹	\$0 - \$39,000	Lump Sum	When you sign the franchise agreement	Us
New Customer Leads Fee	\$0	Lump Sum	As Arranged	Approved Suppliers
Leasehold Improvements ²	\$0	Not Applicable	Not Applicable	Not Applicable
Signs ³	\$0 - \$1,000	Not Applicable	Not Applicable	Not Applicable
Cleaning Equipment Supplies, Materials and Ancillary Goods ⁴	\$0	As Arranged	As Arranged	Approved Suppliers
Office Equipment and Supplies ⁵	\$0	As Arranged	As Arranged	Approved Suppliers

Type of Expenditure	Amount*	Method of Payment	When Due	To Whom Payment is to be Made
Computer System ⁶	\$0 - \$2,000	As Arranged	As Arranged	Third Parties
Insurance	\$0 - \$7,000	As Arranged	As Arranged	Insurance premiums for the first year payable to insurance company
Other Deposits	\$0	As Arranged	As Arranged	Estimated for leased equipment, telephone, utilities, vehicle, etc.
Professional Fees	\$0 - \$2,000	As Arranged	As Arranged	For accountants and lawyers
Training Expenses	\$0 - \$2,100	As Arranged	As Arranged	Estimated expenses for attending initial training; i.e., travel and living expenses
Licenses and/or Bonds	\$0 - \$300	As Arranged	As Arranged	Fees paid to government agencies and/or insurance or bonding companies
Additional Funds ⁷ (3 months)	\$5,000 - \$10,000	As Arranged during the first three months of operation.	As Arranged during the first three months of operation.	Needed for various operating expenses like payroll, supplies, cleaning equipment, marketing, bank fees, etc. and is dependent on how fast you grow
Total	\$5,000 - \$63,400			

Notes:

* Except where noted, all amounts that you pay to us or our affiliates are non-refundable. Third party suppliers will decide if payments to them are refundable.

¹For a commercial cleaning business that meets our qualifying criteria for a Conversion Franchise, we will waive the Initial Franchise Fee as part of the Conversion Franchise. The qualifying criteria includes completing training to our satisfaction. If you don't meet the qualifying criteria for the waiver of the Initial Franchise Fee, your Initial Franchise Fee will be \$39,000 minus an amount equal to 2 months of qualified gross invoicing for your existing business prior to the conversion. See Item 5 for more information on the Initial Franchise Fee.

²You may operate the Conversion Franchise from your home or office. We assume your home or office will not need improvements.

³We do not require you to purchase any signage for the operation of an **OFFICE PRIDE®** franchise, although as part of the Conversion Franchise, you must rebrand your existing business, including our approved **OFFICE PRIDE®** signage. We have used Advertising Fund Fees to design a vehicle logo package and vehicle wrap package. You are not required to purchase a vehicle, vehicle logo package or vehicle wrap package for your **OFFICE PRIDE®** franchise, but if you choose to have a logo or wrap for your vehicle, it must be our approved logo or wrap package.

⁴You must purchase all cleaning equipment, cleaning supplies, materials and ancillary goods that meet our standards and specifications that are necessary to operate your business. As part of the Conversion Franchise, we assume you have an inventory of supplies and materials to begin operations of your **OFFICE PRIDE®** business.

⁵This estimate includes the cost for office equipment and supplies, including a telephone and filing cabinet, needed to start your business. As part of the Conversion Franchise, we assume you have an inventory of equipment and supplies to begin operations of your **OFFICE PRIDE®** business.

⁶You must obtain a computer system that meets our hardware and software standards and specifications. In some instances, your personal computer may be used.

⁷This amount is projected as sufficient to cover your other initial operating expenses. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. This amount does not end your initial investments obligations. We have used our and our affiliates' 30 years of experience in the business to compile these estimates.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to ensure uniform image and quality of products and services throughout the **OFFICE PRIDE®** System, you must maintain and comply with our required quality standards. You must use equipment, fixtures, furnishings, signage, products, supplies, and advertising materials that meet our standards and specifications and that we approve.

We provide you with a list of approved manufacturers, suppliers and distributors (“Approved Suppliers List”) and approved inventory products, fixtures, furniture, equipment, signs, supplies and other items or services necessary to operate your **OFFICE PRIDE®** franchise (“Approved Supplies List”). The Approved Supplies List may specify the specific manufacturer or supplier of a specific product or piece of equipment. For example, you must purchase your apparel, stationery, and other promotional items from one of our approved suppliers. We reserve the right to designate a primary or single source of supply for certain products and supplies, and we or an affiliate may be that single source. As of the date of this Disclosure Document, our affiliate, OPBS, is the only source for billing and collection services.

The lists also may include other specific products without reference to a particular manufacturer or supplier, or they may set forth the specifications and/or standards for other approved products. For example, you may purchase your computer from any source, but the computer you purchase, including the computer hardware and software, must meet our required standards and specifications. We may revise the Approved Suppliers List and Approved Supplies List. We give you the approved lists as we deem advisable. Generally, we do not provide our Approved Suppliers List or Approved Supplies List to anyone but you and our Area Developers. You will pay the then-current price in effect for all purchases you make from us, our affiliate, or any third-party vendor we designate.

Except for our affiliate, OPBS, as of the date of this Disclosure Document, neither we nor our affiliates are currently an approved supplier for any products, supplies, equipment or materials you will use in the operation of your franchise. We reserve the right to serve as an approved supplier or single source supplier in the future.

We issue and modify required standards and specifications and grant or revoke approval of suppliers through updates to our Methods of Operations and through other written materials. Approved suppliers are evaluated, approved or disapproved based on their ability to provide the services and/or ancillary goods in sufficient quantity, of sufficient quality, at reasonable prices and on a timely basis. Our approval criteria, fees and procedures are in the Methods of Operations. If you suggest a supplier, we’ll require you to do it in writing together with a sample of the product(s) you wish us to evaluate. We’ll evaluate the product and the supplier within 30 days of your written request and send you written notice of acceptance or non-acceptance. There are no fees associated with this evaluation process.

You can expect items purchased or leased in accordance with our specifications will represent approximately 90% of the total purchases you will make to begin operating the franchised business and 90% of the ongoing costs to operate the franchised business.

Except for our officers and Parent's ownership in its wholly-owned subsidiary, OPBS, none of our officers own an interest in any of our suppliers.

We have and may again from time to time negotiate prices or purchase arrangements with suppliers for the benefit of the System but not on behalf of individual franchisees. Currently, we and our franchisees purchase many supplies through a national purchasing cooperative. We pay annual dues so that our franchisees can be members of this national purchasing cooperative. There is no separate charge for our franchisees to be members of this cooperative. We do not, however, guarantee or promise that we will have a purchasing cooperative in the future. We reserve the right to modify or terminate our membership to this purchasing cooperative at any time. Additionally, as noted above, we use a single approved source for **OFFICE PRIDE®** branded items like apparel, stationery, and other promotional items.

We, our affiliates and our Area Developers reserve the right to receive rebates or other consideration from suppliers and our national purchasing cooperative in connection with your purchase of goods, products and services as described in this Item 8, as well as in connection with any future purchase of any goods, products or services. Most of these payments are calculated on an amount based on products sold. We will retain and use such payments as we deem appropriate or as required by the vendor, which may include funding costs associated with advertising and promotions, or distribute part of the rebates or payments to you in such amounts and allocation methods as we deem appropriate (for example, we currently provide existing franchisees in good standing with a rebate on consumable products that you or your customers order through approved vendors). We reserve the right to modify or cancel these programs or arrangements upon written notice to franchisees.

Currently, we derive revenue from purchases our franchisees make through our national purchasing cooperative and certain approved suppliers. We reserve the right to receive additional rebates in the future. During our last fiscal year ending December 31, 2022, we derived \$62,648 of our total revenue of \$8,544,513 (or .73%) from purchases made by our franchisees, as noted in our audited financial statements included as an exhibit to the Disclosure Document.

We do not evaluate a franchisee's performance under the terms of the franchise agreement or provide material benefits to a franchisee based on a franchisee's purchases of particular products or services or use of particular suppliers, but franchisees may not use supplies, equipment or other materials that do not meet our required standards and specifications.

You must purchase and maintain from a company we approve insurance that meets our requirements. The insurance policies must include, at a minimum: (i) commercial general liability insurance covering claims for personal injuries and property damage with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate; (ii) fidelity bond (third party client theft) with minimum limit of \$10,000; (iii) umbrella liability insurance with minimum limits of \$1,000,000 per occurrence and \$1,000,000 aggregate; (iv) workers' compensation insurance with minimum limits of \$500,000 per occurrence/\$500,000 per employee for bodily injury by occupational disease/\$500,000 policy limit for bodily injury by disease; (iv) vehicle liability for owner, leased, hired and non-owned vehicles with minimum limits of \$1,000,000 combined single limit for bodily injury and property damage per occurrence; (vi) any other such insurance coverages or amounts as required by law (for example, workers' compensation, a customer or agreement related to the Business (for example, any lease); and (vii) any other insurance we may require from time to time. Additional insurance requirements are set forth in the Methods

of Operation. All liability insurance policies must name us (and our Parent, affiliates, officers, directors and employees) and any area developer as additional insureds.

You must deliver to us at commencement and annually or at our request a proper certificate evidencing the existence of such insurance coverage We may modify, upon written notice to you, the required minimum limits from time to time and by written notice to you, as conditions require, to reflect changes in relevant circumstances, industry standards, experiences in the **OFFICE PRIDE®** System, standards of liability and higher damage awards.

ITEM 9
FRANCHISEE’S OBLIGATIONS

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

	Obligation	Section in Agreement Franchise Agreement (FA)	Disclosure Document Item
a.	Site selection and acquisition/lease	Not Applicable	Item 11
b.	Preopening purchases / leases	FA: 2.2	Items 6, 7 and 8
c.	Site development and other preopening requirements	FA: Not Applicable	Items 7, 8 and 11
d.	Initial and ongoing training	FA: 4	Items 6, 7 and 11
e.	Opening	FA: 2.3, 2.4	Item 11
f.	Fees	FA: 3.1, 3.2, 3.4, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11, 3.12, 4.2, 4.4.7, 4.6, 9.1, 11.3, 12.4.5, 12.6, 13.1, Conversion Addendum	Items 5, 6 and 7
g.	Compliance with standards and policies / operating manual	FA: 4.5, 8	Items 6, 7, 8, 11, 14 and 16
h.	Trademarks and proprietary information	FA: 5, 6	Items 13 and 14
i.	Restrictions on products/ services offered	FA: 8	Items 6, 7, 8, 11 and 16
j.	Warranty and customer service requirements	Not Applicable	Items 6 and 11
k.	Territorial development and sales quotas	FA: 3.2.4	Item 12
l.	Ongoing product/service purchases	FA: 8.1	Items 6, 7 and 8
m	Maintenance, appearance and remodeling requirements	FA: 8.2	Items 8 and 11
n.	Insurance	FA: 2.3.3, 8.1.12	Items 6, 7 and 11
o.	Advertising	FA: 9	Items 6,7 and 11
p.	Indemnification	FA: 16.4	Not Applicable

Obligation		Section in Agreement Franchise Agreement (FA)	Disclosure Document Item
q.	Owner's participation/ management/ staffing	FA: 1.4, 1.6	Items 11 and 15
r.	Records and reports	FA: 10	Item 11
s.	Inspections and audits	FA: 11	Items 6 and 11
t.	Transfer	FA: 12	Items 6 and 17
u.	Renewal	FA: 13.2	Items 6 and 17
v.	Post-termination obligations	FA: 14.3, 15	Item 17
w.	Noncompetition covenants	FA: 7.1, 15.4	Item 17
x.	Dispute resolution	FA: 17.12	Item 17
y.	Other	Not Applicable	Not Applicable

**ITEM 10
FINANCING**

SUMMARY OF FINANCING OFFERED

Item Financed	Source	Amount Financed	Down Payment	Term (Months)	APR %	Monthly Payment	Prepay Penalty	Security Required	Liability Upon Default	Loss of Legal Right on Default
Initial Franchise Fee (1)	Us or Area Developer	Up to 50% of the Initial Franchise Fee	At least 50% of the Initial Franchise Fee	24 to 36 Months	8% (2)	Varies Depending on the Amount Financed	None	Partner or Shareholder Guarantee and Pledge of the Franchise (3)	Late Penalty; Acceleration of Amounts Due; Fees (4)	Waiver of Trial by Jury and Right to Interpose Any Defense, Set-Off or Counterclaim of Any Nature or Description (5)
Customer Development Fee (6)	Area Developer	Up to 100% of Customer Development Fee	Varies	24 to 36 months	8% (2)	Varies Depending on the Amount Financed	None	Partner or Shareholder Guarantee and Pledge of the Franchise (3)	Late Penalty; Acceleration of Amounts Due; Fees (4)	Waiver of Trial by Jury and Right to Interpose Any Defense, Set-Off or Counterclaim of Any Nature or Description (5)

OFFICE PRIDE® financing documents are attached as Exhibit E to this Disclosure Document. We may sell, assign or discount all or part of your Promissory Note. If your Promissory Note is assigned, you may lose certain defenses as a result of the assignment. We may place financing with third parties. As of the date of this Disclosure Document, we do not receive remuneration from any third parties regarding your financing arrangements.

NOTES:

(1) In order to assist credit-worthy franchisees to purchase and operate the business, we or an Area Developer may, but are not required to, finance 50% of the initial franchise fee, with a minimum down payment of 50% of the initial franchise fee. The financed amount of the initial franchise fee is evidenced by a Promissory Note and is payable over a term of two to three years as we determine appropriate and will

be paid in equal weekly installments. The Promissory Note for the initial franchise fee is secured by a Security Agreement and the holder of the note is entitled to the benefits of the security described therein. We reserve the right to change the terms, interest rate, and amounts financed. (A copy of our Promissory Note and our Security Agreement are attached as Exhibit E of this Disclosure Document). If any of the initial franchise fee is financed by us or an Area Developer, all payments will be deducted from your pass-through check, unless otherwise arranged.

(2) APR is calculated based on a face interest rate of 8% per annum. The rates will vary based upon current market conditions, your individual credit history, your personal financing condition, and other criteria we deem appropriate. We reserve the right to change the rate of interest we charge.

(3) The Promissory Note must be guaranteed individually by all of your partners or shareholders (See Exhibit E to this Disclosure Document). The Promissory Note must be secured by your franchise. We do not guaranty any note, lease or other obligation of our franchisees.

(4) If you do not pay on time, we can charge a late penalty equal to the lesser of 3% of the overdue payment or \$50. In the case of nonpayment or other default under the Promissory Note, we can require immediate payment of all amounts due us, and/or terminate the franchise agreement, and we can also collect our reasonable attorneys' fees and all costs and expenses of collection.

(5) The Maker of the note, in any litigation arising out of or relating to the note in which a holder of the note is an adverse party, waives trial by jury and the right to interpose any defense, set-off or counterclaim of any nature or description.

(6) Area Developers are not required to provide a franchisee with financing for the Customer Development Fee. The ability to obtain financing for the Customer Development Fee will depend on current market conditions, the individual franchisee's credit history and personal financing conditions.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, Faith Franchising Company, LLC is not required to provide you with any assistance:

Pre-Opening Assistance: Before you begin operating your single unit **OFFICE PRIDE®** franchise, we will:

1. Grant you the right to operate an **OFFICE PRIDE®** business (FA, Article 1.5.).
2. Provide you with electronic access to our Methods of Operations (FA, Article 4.5.).
3. Provide you with an initial training program as described below (FA, Article 4.1.).
4. Provide you with grand opening support and assistance, which may include, among other things, press releases, vehicle logo package, sales brochures and portfolio, logoed shirts, all as described more fully in the Methods of Operations. (FA, Article 4.7).
5. Provide you with on-site and virtual consultation and additional guidance (FA, Article 4.4.).
6. Provide you with general guidance concerning: (FA, Article 4.3. and sub-articles):

- a. The System as utilized for the operation of the Franchised Business;
- b. Purchasing required ancillary goods, equipment, materials and supplies;
- c. Advertising and marketing programs; and
- d. Administrative, bookkeeping and accounting procedures.

Ongoing Assistance: During the operation of your single unit **OFFICE PRIDE®** franchise, we will:

1. Provide you with telephone consultation during such times as are outlined in the Methods of Operations (FA, Article 4.4.1.).
2. Provide you with buying advisory services whereby we may provide you with lists of sources and approved suppliers for our ancillary goods, services, equipment, etc. (FA, Article 4.4.2.).
3. Provide you with administrative services whereby we will provide centralized administrative support services to help you with accounts receivable. We, our affiliate or a designated third party will invoice any and all of your accounts as per our Methods of Operations by sending invoices, collecting payments and depositing the same into your account, subtracting payments you owe us and any Area Developer and sending the net payment to you. We will maintain your accounts receivable and use commercially reasonable efforts to collect all amounts owed to you. We are your exclusive agent for collection of amounts owed from customers until we send you a statement of Outstanding Invoices. Following your receipt and review of the statement of Outstanding Invoices, you and we will contact the account in an effort to make collection (FA, Article 4.4.3.).
4. Provide you with ongoing marketing programs (FA, Article 4.4.4.).
5. Provide you with meetings, seminars or conventions whereby we may get together with you and other **OFFICE PRIDE®** franchisees for business or social purposes (FA, Article 4.4.5.).
6. Provide you with research and development regarding Methods of Operations (FA, Article 4.4.6.).
7. Provide such additional guidance and assistance as we deem appropriate. We reserve the right to charge you a fee for any additional guidance and support we provide, and you must reimburse us for all of the expenses that we incur in connection with such training, including any travel and living expenses for our personnel, will be your responsibility (FA, Article 4.4.7.).
8. Visit your Business as we deem appropriate to provide you with guidance, support and assistance (FA, Article 4.4.).

If an Area Developer's trade area includes your single unit **OFFICE PRIDE®** franchise, our responsibilities to you may be assigned to the Area Developer for your trade area.

Marketing

Franchisees are required to contribute to the Advertising Fund at a percentage of 1% of Revenue Sales Collected.

We control an Advertising Fund that all **OFFICE PRIDE®** franchisees contribute to. Currently, our franchisees contribute 1%. of their Revenue Sales Collected to the Advertising Fund. We reserve the right to increase the Advertising Fund Fee up to 2% of Revenue Sales collected, although we will not

increase the percentage by more than .5% in any given calendar year. The Advertising Fund is not a trust or escrow account, and we do not have any fiduciary obligations with respect to the Advertising Fund. We and our affiliates may, but are not obligated to, contribute to the Advertising Fund. We and our affiliates are not obligated to spend any specific amount of the Advertising Fund in your market area or for your area.

We are not limited to any specific media in which ads may be disseminated. We presently have developed programs to disseminate information via the Internet, radio, television, print and vehicle based media. We are not limited to local, regional or national programs, but may use a combination of the same. We will generate ads and may solicit outside ad agencies to generate ads. We control all expenditures from the Advertising Fund, may roll over amounts in the Advertising Fund from year to year, and we reserve the right to use up to 30% of the Advertising Fund for the solicitation of franchises. The Advertising Fund will be used to generate marketing materials that franchisees may use, to supplement the cost of a franchise owners' retreat or convention and to cover the cost of other brand initiatives. We also may use the Advertising Fund to pay personnel we hire to develop branding and advertising programs. We will account for Advertising Fund by sending an annual accounting to you at your request. (Article 9.) During our last fiscal year ending December 31, 2022, we spent 34% on Production, 40% on Media Placement, 9% on Franchise Recruitment and 18% on administrative expenses. During our last fiscal year ending December 31, 2022, we spent a portion of the Advertising Fund on the solicitation of new franchise sales (9% on Franchise Recruitment).

We do not conduct an audit of the Advertising Fund. You may obtain an accounting of the Advertising Fund by contacting us.

We are not required to spend any amount on advertising in your area or territory. You can only use advertising that you generate after first receiving our approval.

In addition to your contributions to the Advertising Fund, you must spend monthly the Minimum Local Marketing Spending set forth in Item 6. If you fail to make the required expenditures, we have the right to collect the deficiency and spend it as we determine appropriate. All of your local marketing and promotion (including through social media) must be in media that we approve, conducted in a dignified manner and conform to the standards and requirements that we specify, including compliance with all trademark usage and branding standards.

We reserve the right to require advertising or marketing cooperatives and/or local marketing groups ("LMG") to be formed, changed, dissolved or merged, based on specific criteria determined by us for designated marketing areas. We typically determine the local marketing areas based on a combination of designated market area and core-based statistical area data. We have the right to establish how LMGs operate and to administer the LMGs. If an LMG is established in your market, you will be designated to be a member of the LMG. We will determine the amount of member contribution, which will be a percentage of Gross Sales and will not to exceed 3% of Revenue Sales Collected. Other franchisees that will be members of the same LMG will contribute on the same basis as you. Your contribution to the LMG will count towards any required Minimum Local Marketing Spending but any required Minimum Local Marketing Spending will not represent a limit on your LMG contributions. Each company-owned or affiliate-owned Lawn Pride® business located within the LMG's market will be a member and will contribute to the LMG on the same terms as franchisees.

There are no advertising cooperatives or franchisee councils involved in the advertising process, although we do have a Franchisee Advisory Council and we reserve the right to require cooperatives or councils to be formed, changed, dissolved or merged in the future.

Site Selection

We do not require you to have a specific location for your business. You may operate your business from your home or from an office, warehouse or storage site. The selection of those sites is entirely left to the judgment of the franchisee, provided that we reserve the right to approve or disapprove the use of our signage at any site.

Computer System

You must purchase the computer system we designate. The computer you use in the day-to-day operation of your **OFFICE PRIDE®** franchise should consist of a standard personal computer and all hardware, software and data used to record and analyze sales, labor, inventory and product usage, employee information, and tax information. Currently, the computer system hardware consists of one computer and one printer. The computer system software currently used consists of Microsoft Office and any other software we determine. We reserve the right to designate changes or enhancements to the computer system. At such time as we designate the change or enhancement, you may incur costs associated with the change. You will have six months to install and commence using the changed or enhanced computer system. You must acquire the right to use hardware, software, peripheral equipment and accessories, and arrange for installation, maintenance and support services of the initial, changed or enhanced computer system, all at your cost. You must be able to communicate with us via email.

The computer system we develop may include proprietary software. You may be required to license the proprietary software from us, an affiliate or a third party, and you also may be required to pay a software licensing or use fee in connection with your use of the proprietary software. All right, title and interest in the software will remain with the licensor of the software. Our approved suppliers or other vendors have their own policies for service and maintenance as well as hardware and software upgrades. We have the right, as often as we deem appropriate, to independently access your computer systems that you are required to maintain in connection with the operation of the **OFFICE PRIDE®** franchise and to retrieve all information relating to the **OFFICE PRIDE®** franchise's operations (FA 7.2.).

We estimate the cost of purchasing the computer system identified above will be approximately \$0 to \$2,000. You will be required by us, when we deem it appropriate, to upgrade or update any hardware component or software program during the term of the franchise. All costs associated with any required upgrades or updates will be at your sole cost and expense without limit to cost or frequency. We estimate the annual cost of optional and/or required maintenance, updating, upgrading or support contracts for the computer system will be less than \$300.

You may not operate your own website for your **OFFICE PRIDE®** business without our written approval.

Operating Procedures Inventory (including our Methods of Operations)

You must operate your **OFFICE PRIDE®** franchise consistent with the required standards and specifications outlined in our Methods of Operation that are included in our Operating Procedures Inventory. The Methods of Operations and Operating Procedures Inventory also may contain recommended practices, policies and guidelines that you may, but are not required to, follow.

A copy of the table of contents is attached Exhibit F. You will receive access to the Operating Procedures Inventory when you start training (a total number of 361 pages).

Typical Length of Time Before You Open Your Franchised Business

We estimate the length of time between the signing of the franchise agreement or the first payment of consideration for the **OFFICE PRIDE®** franchise and the commencement of operations of an **OFFICE PRIDE®** franchise is between 30 and 75 days. Things that may affect the time period include when you schedule your training, your ability to obtain insurance, purchase or lease equipment, obtain cleaning accounts, and/or purchase materials and supplies. Although we do not provide you with equipment signs, fixtures, opening inventory and supplies, we do provide you with names of approved suppliers or written specifications for the items you need to operate your **OFFICE PRIDE®** business.

You must commence operation of your **OFFICE PRIDE®** franchise within 90 days of your signing of the franchise agreement. We will schedule the training program (see below) for you during this time period.

Training

Our current training program consists of approximately 5 days of initial classroom training that is held at our training center in Palm Harbor, Florida or virtually through webinars or videoconferencing as noted in the table below. Your managing shareholder or partner must attend our initial training (this training program requirement applies fully to a Conversion Franchisee). You may elect to enroll 1 additional person in the training program. Our current training program also includes an in-market initial training component which will last for approximately seven days (which may not be consecutive) during which your Area Developer or our representative will assist you with sales and operation. We will cover our own costs and expenses incurred in providing you with the in-market initial training. We and you will mutually agree on when we will provide our in-market initial training to you within your first 180 days of operations. We may change or modify the length, frequency and subject matter of our in-market training from time to time.

No other additional or refresher courses are required for you to commence operation of your franchise. Your managing shareholder or partner is required to complete the initial training to our satisfaction. Although we will furnish initial training to your managing shareholder or partner and, if you elect, 1 additional person at no additional fee or other charge, you will be responsible for all travel and living expenses which your managing shareholder or partner and your employee incur in connection with training. You also are solely responsible for training your employees. If we determine that your managing shareholder or partner are unable to complete initial training to our satisfaction, by written and/or oral exam or otherwise, we have the right to terminate our agreement with you and we may refund to you \$5,000 of the Initial Franchise Fee if you request the refund in writing within 30 days of termination. If we exercise this option, you must return to us all equipment, supplies and other materials that we have provided to you. Training is an ongoing event with no restriction on when it starts. We offer training throughout the year. Any training provided by us to any of your workers will be limited to training or guidance regarding the delivery of approved services to clients in a manner that reflects the customer and client service standards of the System. You are, and will remain, the sole employer of your employees at all times, including during all training programs, and you are solely responsible for all employment decisions and actions related to your workers. You are solely responsible for ensuring that your workers receive adequate training.

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**TRAINING PROGRAM
(Single Unit)**

Classroom		
Subject	Hours of Classroom Training	Location
Leadership	4	Palm Harbor, FL or Virtual
Sales/Marketing	10.5	Palm Harbor, FL or Virtual
Operations	10	Palm Harbor, FL or Virtual
Personnel	5	Palm Harbor, FL or Virtual
Customer Service	4	Palm Harbor, FL or Virtual
Administration/ Management	2.5	Palm Harbor, FL or Virtual
Total	36	

In Market		
Subject	Hours of In Market Training	Location
Lead Generation	10	Franchisees local market
Sales	20	Franchisees local market
Operations	12	Franchisees local market
Personnel	6	Franchisees local market
Customer Service	4	Franchisees local market
Administration	4	Franchisees local market
Total	56	

It is the nature of the **OFFICE PRIDE®** business that all subjects are integrated into the training program, and that there are no clear delineations between the subjects being learned. We will use the following instructional materials in connection with our training program: the Methods of Operations, our Learning Management System and Library, videos, podcasts, books, forms, and power point presentations.

Amy Jackson currently oversees our training program. Ms. Jackson has been working in the field of education and curriculum development since 2007 and joined **OFFICE PRIDE®** in June 2017. If your **OFFICE PRIDE®** business is located in one of our Area Developer's trade areas, the Area Developer will provide the in-market initial training component. If your **OFFICE PRIDE®** business is not located in one of our Area Developer's trade areas, our representative will provide the in-market initial training. The table below identifies the trade areas and years of experience for our Area Developers as of the date of this Disclosure Document:

Area Developer	Trade Area	Years of Experience
Master's Touch Janitorial, Inc. Kristina Lareau	Visalia, CA	Ms. Lareau has served as an Area Developer since February 2017
AD Mobile OPAD, LLC AD JAX OPAD, LLC AD Pensacola OPAD, LLC Mark & Sonya Charles	Mobile, AL Jacksonville, FL Pensacola, FL	Mr. & Mrs. Charles have served as Area Developers since April 2003

Area Developer	Trade Area	Years of Experience
Grace Area Development, Inc. Julie Hirschauer	Ft. Wayne, Indiana	Ms. Hirschauer has served as an Area Developer since August 2003
OPAD Huntsville, Inc. Troy Hopkins	Birmingham, AL Huntsville, AL Jackson, TN Knoxville, TN Nashville, TN	Mr. Hopkins has served as an Area Developer since October 2003
OP by Sun Cross, LLC OPAD Central Virginia, LLC Todd & Valerie Jones	Richmond, VA Virginia Beach-Norfolk, VA Roanoke-Lynchburg, VA	Mr. & Mrs. Jones have served as Area Developers since August 2009
Stein Enterprises, Inc. David Stein	Tyler, TX	Mr. Stein has served as an Area Developer since May 2010
OPAD Kentucky LLC David Burks	Louisville, KY	Mr. Burks has served as an Area Developer since March 2015

ITEM 12
TERRITORY

Unit Franchise

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

The operation of your **OFFICE PRIDE®** business will be limited to a certain market area. Typically, a franchisee’s territory is defined by counties, zip codes and/or a metro area. You do not receive rights of first refusal or similar rights to acquire additional franchises in any territory or contiguous territory. We may establish other franchised or company owned outlets that may compete with you regardless of their proximity to your **OFFICE PRIDE®** business. We only open and license **OFFICE PRIDE®** businesses. We do not currently open units or grant franchises in any similar or competitive business, but we reserve the right to do so in the future.

We and our affiliates reserve the right to establish other franchised or company owned **OFFICE PRIDE®** businesses anywhere regardless of their proximity to your **OFFICE PRIDE®** business. We and our affiliates also reserve the right to (i) merge with, acquire or become acquired by any businesses, including competitive businesses, which businesses operate under trademarks other than the **OFFICE PRIDE®** Marks and may offer or sell products and services that are the same as or similar to the products and services offered at or from your Business, and (ii) use other channels of distribution such as the Internet, telemarketing, or other direct marketing sales to sell our services, products and goods under our Marks or any other marks. We will not modify your market area without your consent.

We are not required to pay you any compensation if we exercise any of the rights specified above.


In accordance with our standards and requirements, you may use approved channels of distribution such as the Internet, telemarketing, or other direct marketing to gather leads and close sales, however, you may not solicit business or accept orders from customers who are already being serviced by another **OFFICE PRIDE®** business. You may solicit orders from customers located outside your market area, subject to our current policy set forth in our Operating Procedures Inventory.

While you are required to actively operate your **OFFICE PRIDE®** Business, there are no minimum sales requirements, market penetration or other contingencies that a franchisee must meet.

You do not have the right to relocate your **OFFICE PRIDE®** business without our prior written approval. Generally, we approve relocation if the proposed new location does not include another franchisee’s market area. If we allow you to relocate your **OFFICE PRIDE®** business, you must do so at your cost.

ITEM 13
TRADEMARKS

The Franchise Agreement licenses you the right to use our principal trademarks (“Marks”) identified below. We claim common law trademark rights in all of the Marks.

Trademark	Registration Number	Date of Registration	Register
OFFICE PRIDE	2,474,854	August 7, 2001	Principal
	2,484,203	December 27, 2022	Principal
NO HEADACHES ATTACHED	3,055,425	January 31, 2006	Principal
Our Values Makes Us Different	5,519,248	July 17, 2018	Principal

We have filed or intend to file all required affidavits and renewals for the Marks listed above.

There are no currently effective material determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court. There are no pending infringements, oppositions or cancellations concerning the principal trademarks. There is no pending material litigation involving the principal trademarks.

There are no agreements currently in effect that significantly limit our rights to use or license the use of the principal trademarks in a manner material to the **OFFICE PRIDE®** franchise. There are no infringing uses actually known to us that could materially affect your use of the Marks.

We are not obligated, by the terms of the Franchise Agreement or otherwise, to protect your right to use the principal trademarks. Nor are we obligated to protect you against claims of infringement or unfair competition arising out of your use of the principal trademarks. We are not required by the Franchise Agreement or anything else to take affirmative action if you notify us of infringing uses or claims, though our policy is to have our lawyer investigate any claims or infringing uses. We will decide whether or not to pursue litigation involving infringing uses or claims regarding the trademarks, and we will control all such proceedings. We are not required to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed to you by us, or if the proceeding is resolved unfavorably to you. Your rights and obligations under the Franchise Agreement are unaffected by decisions we make relating to the trademarks or the result of proceedings you bring or are involved in regarding the trademarks.

We have no actual knowledge of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks in the state where your **OFFICE PRIDE®** franchise may be located.

You may not use any of the following words as part of your legal business name: office, pride, cleaning, or janitorial. We reserve the right to approve your legal entity name.

You may not have a web site or other presence on the web separate and apart from the www.officepride.com web site, except as we may otherwise approve in writing. We determine the content of the www.officepride.com web site.

ITEM 14 **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

There are no patents, patent applications, or copyrights currently registered or pending that are material to the franchise, although we do claim copyright ownership and protection for the Methods of Operations, advertising materials, other materials we give you for your use or for public dissemination and everything concerning the Methods of Operations. All of this is our proprietary intellectual property.

There are no currently effective determinations of the Copyright Office (Library of Congress), United States Patent and Trademark Office, Board of Patent Appeals and Interferences, or any court, or any pending infringement, opposition or cancellation proceeding or any pending material litigation involving any patents or copyrights. There are currently no agreements in effect that significantly limit our rights to use or license the use of any patents or copyrights in any manner material to the franchise. There are no infringing uses actually known to us that could materially affect your use of the patents or copyrights.

We are not obligated to protect you against infringement or unfair competition claims arising out of your use of any patents or copyrights, or to participate in your defense or indemnify you. We reserve the right to control any litigation related to any patents and copyrights and we have the sole right to decide to pursue or settle any infringement actions related to the patents or copyrights. You must notify us promptly of any infringement or unauthorized use of the patents or copyrights of which you become aware.

You must keep confidential during and after the term of the Franchise Agreement all trade secret and proprietary information, including the Methods of Operations. Upon termination of your Franchise Agreement, you must cease using, and as applicable, return to us all proprietary information, including but not limited to the Methods of Operations, and all other copyright material. You must notify us immediately if you learn about an unauthorized use of proprietary information. We are not obligated to take any action and we have the sole right to decide the appropriate response to any unauthorized use of proprietary information. You must comply with all changes to the Methods of Operations at your cost.

All ideas, concepts, procedures, techniques or processes concerning the **OFFICE PRIDE®** franchise, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System and works made-for-hire for us. To the extent any item does not qualify as a “work made-for-hire” for us, you will assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing an assignment agreement or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

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

You must operate your **OFFICE PRIDE® BUSINESS** through a legal entity. Your managing partner or shareholder must, at all times, faithfully, honestly and diligently perform and exert your best efforts in performing your obligations under the Franchise Agreement. Each of your owners and their respective spouses must jointly and severally be bound by the terms of the Franchise Agreement and personally guarantee performance.

We do not control your employment practices and you are solely responsible for all hiring, firing, training, scheduling and disciplining of your employees. We do not require you to operate your **OFFICE PRIDE® BUSINESS** from a specific locations or premises and consequently don't have requirements for "on premises" supervisors. We make no recommendation of any kind with respect to any equity interest any such supervisor must have in your franchise.

All shareholders, officers, directors, partners, members and all managers and other employees attending our training program and/or having access to our proprietary information, as well as your spouse, if applicable, must execute non-disclosure agreements in a form we accept.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Item 8 of this Disclosure Document describes our requirements for approved supplies and suppliers. You must operate your **OFFICE PRIDE®** franchise in accordance with our Methods of Operations.

You may only sell the goods and services that are listed as approved services in the Methods of Operations. You must sell all the goods and services we have authorized.

We have the right to change the types of goods and services that are authorized by us for you to offer to your customers. While there are no specific limits on our ability to make these changes, customarily we do not make changes in haste, unless health or safety are at stake, and generally take 30 to 90 days to make changes. It is our policy that you will be informed of general changes at least 30 days in advance.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Section in Franchise Agreement (FA)	Summary
a. Length of the Franchise Term	FA: 1.5	Term is 10 years.
b. Renewal or extension of the term	FA: 13.2	A renewal franchise may be granted for a period of 10 years.
c. Requirements for franchisee to renew or extend	FA: 13.1-13.6	Replace worn out equipment and uniforms, sign a successor franchise agreement, sign a release, and pay a successor franchise fee of \$2,000, adjusted for inflation. If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
d. Termination by franchisee	FA: 14.1	You may terminate the Franchise Agreement only for a material breach by us, provided you give us written notice of the breach and allow 90 days to cure such breach.
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	FA: 14.2	We can terminate the Franchise Agreement only if you default or fail to comply with your obligations.

Provision	Section in Franchise Agreement (FA)	Summary
g. "Cause" defined – defaults which can be cured	FA: 14.2	You have 24 hours to cure defaults regarding sanitation and safety, 7 days for those involving money you owe to us and 30 days for other types of defaults (subject to state law).
h. "Cause" defined – defaults which cannot be cured	FA: 14.2	Non-curable defaults include: any material misrepresentation or omission in your application for a franchise, abandonment, unauthorized use of confidential information, your insolvency, unapproved assignments or transfers, defaults that materially impair the goodwill associated with any of the Marks, criminal convictions or multiple defaults.
i. Franchisee's obligations on termination/nonrenewal	FA: 15	Obligations include payment of amounts due, cease using the Methods of Operations and Confidential Information, proprietary materials and related writings (also see (o) and (r) below).
j. Assignment of Contract by franchisor	FA: 12.1	No restrictions on our right to assign.
k. "Transfer" by franchisee – defined	FA: 12.2-12.3	Any sale, lease, pledge, management agreement, contract for deed, option agreement, assignment bequest, gift or otherwise or any arrangement pursuant to which you turn over all or part of the daily operation of the business to a third person.
l. Franchisor approval of transfer by franchisee	FA: 12.4	We have the right to approve all transfers but will not unreasonably withhold approval.
m. Conditions for franchisor approval of transfer	FA: 12.4	Transferee meets all of our then-current requirements for new franchisees, transfer fee paid, all amounts owed by prior franchisee paid, training completed, transferee executes then current form of franchise agreement (modified to reflect that the agreement relates to a transfer), required guarantees signed, necessary financial reports and other data on franchise business is prepared, release signed, full compliance of your obligations under franchise agreement, and other conditions we may reasonably require from time to time as part of our transfer policies; provided that certain transfer conditions do not apply to transfers to immediate family members.
n. Franchisor right of first refusal to acquire franchisee business	FA: 12.9-12.10	We reserve the right to match all third party <i>bona fide</i> offers.
o. Franchisor option to purchase franchisee business	FA: 15.6	60 day option upon termination or expiration.
p. Death or disability of Franchisee	FA: 12.6	Treated as a transfer.
q. Noncompetition covenants during the term of the franchise	FA: 7.1-7.2	You may not own or manage a competitive business.
r. Noncompetition covenants after the franchise is terminated or expires	FA: 15.4	24 months within the greater of (i) a 50 mile radius around the location of your OFFICE PRIDE® Business or (ii) the metropolitan area in which you operate your OFFICE PRIDE® Business.
s. Modification of the agreement	FA: 17.15	No modifications generally, but we have the right to change the Methods of Operations and trademarks.
t. Integration / merger clause	FA: 17.16	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises made outside the Disclosure Document or Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	FA: 17.12	Except for certain claims, all disputes must be submitted to (i) the church or (ii) mediation and then arbitration (depending on which option the franchisee elects at the time the Franchise Agreement is signed). Regardless of the dispute resolution option franchisee

Provision	Section in Franchise Agreement (FA)	Summary
		elects, the dispute resolution process will occur in Palm Harbor, Florida, or other place we designate.
v. Choice of forum	FA: 17.14	Litigation must be in the applicable federal or state court where our headquarters are located (currently, Florida) (subject to state law).
w. Choice of law	FA: 17.13	Except for claims under federal trademark law, and the parties' rights under the Federal Arbitration Act, Biblical principles or the law of the State of Florida will govern any dispute (subject to state law).

ITEM 18
PUBLIC FIGURES

We currently do not use public figures to promote this franchise.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

This financial performance representation consists of three sections. Section I of this financial performance representation includes a historic representation of the average gross sales of all franchise system outlets that were in operation during the entire 2022 Fiscal Year (as defined below). Section II of this financial performance representation includes a historic representation of the average gross sales franchisees received during the 2022 Fiscal Year per customer business count in the franchisee’s market (“Market Utilization”). Section III of this financial performance representation includes a historic representation of the average gross sales for those franchise system outlets that were in operation during the 2014 to 2022 fiscal years.

Section I: Average Gross Sales 2022 Fiscal Year

The information provided below represents the average gross sales for 126 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2022 through December 31, 2022 (the “2022 Fiscal Year”). Only those OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire 2022 Fiscal Year (126 out of the 147 franchisees in operation as of December 31, 2022) were included in this Item 19.

Of the 145 franchisees in operation as of January 1, 2022 that are not included in this Item 19, 8 were terminated during the 2022 Fiscal Year, 2 were non-renewals during the 2022 Fiscal Year, 4 transferred their OFFICE PRIDE® business and did not operate during the entire 2022 Fiscal Year, 4 did not operate their OFFICE PRIDE® businesses during the entire 2022 Fiscal Year, and 2 outlets that operated under the same ownership with consolidated financial information are treated as one for purposes of this Item 19. The information presented in this Item 19 does not include the 12 new OFFICE PRIDE®

franchisees that signed franchise agreements during the 2022 fiscal year, as they were open less than one year.

The financial performance information presented below is based on the invoices our billing service affiliate sent to OFFICE PRIDE® customers during the 2022 Fiscal Year. We have not audited this information for purposes of this Item 19. The financial information contained in this Item 19 does not include any financial performance information for (i) any corporate or affiliate owned businesses or (ii) franchisees that opened, closed, or transferred their OFFICE PRIDE® businesses during the 2022 Fiscal Year. For the 2022 Fiscal Year, we did not have any OFFICE PRIDE® business that closed after being open for less than 12 months.

**AVERAGE GROSS SALES¹ OF FRANCHISEES
BY QUARTILE² FOR THE 2022 Fiscal Year**

Quartile	Number of Franchisees in the Quartile	Average Gross Sales	Number and Percentage of Franchisees in the Quartile that Attained or Exceeded Average Gross Sales	Median	Range of Gross Sales (Low/High)
1 st	31	\$1,665,426	7 or 23%	\$1,121,516	\$773,758 to \$7,367,217
2 nd	31	\$566,410	14 or 45%	\$553,122	\$394,429 to \$759,610
3 rd	32	\$285,706	16 or 50%	\$283,548	\$192,677 to \$386,363
4 th	32	\$85,509	14 or 44%	\$75,143	\$4,824 to \$157,858

**AVERAGE GROSS SALES¹ OF FRANCHISEES
FOR THE 2022 Fiscal Year**

The average gross sales for all 126 OFFICE PRIDE® franchisees in operation during the entire 2022 Fiscal Year is as follows:

Number of Franchisees	Average Gross Sales	Median	Number and Percentage of Franchisees that Attained or Exceeded Average Gross Sales	Range of Gross Sales
126	\$643,379	\$385,793	39 (31%)	\$4,824 to \$7,367,217

SECTION I NOTES:

- (1) As used in this Item 19, “Gross Sales” means all revenue a franchisee derived from operating its OFFICE PRIDE® business, whether from cash, check or credit transactions, but excluding all federal, state or municipal sales, use or service taxes collected from customers and paid to the appropriate taxing authority and excluding customer refunds, adjustments, credits and allowances made by the franchisee. Gross Sales has the same meaning as Revenue Sales Collected (as defined in Item 6
- (2) As used in this Item 19, “Quartile” refers to the relative performance of our OFFICE PRIDE® franchisees. Accordingly, the “1st Quartile” refers to the top 25% of performing OFFICE PRIDE® franchisees based on Gross Sales, the “2nd Quartile” refers to the next highest 25% of performing OFFICE PRIDE® franchisees, the “3rd Quartile” refers to the next highest 25% of performing OFFICE PRIDE® franchisees, and the “4th Quartile” refers to the bottom 25% of performing OFFICE PRIDE® franchisees.

- (3) The Average Gross Sales for the 1st Quartile includes one franchisee whose Gross Sales during the 2022 Fiscal Year totaled \$7,367,217. If this franchisee is removed from the 1st Quartile, the Average Gross Sales for the remaining 30 franchisees in the 1st Quartile is \$1,475,366.
- (4) Some of the franchisees included in this Item 19 operate their OFFICE PRIDE® business on a part time basis and some operate their OFFICE PRIDE® business on a full time basis.

Section II: Average Gross Sales Per Customer Business Count in Market (Market Utilization)

The table below represents the average gross sales franchisees received during the 2022 Fiscal Year per customer business count in their market for all 126 OFFICE PRIDE® franchisees in operation during the entire 2022 Fiscal Year:

AVERAGE GROSS SALES PER CUSTOMER BUSINESS COUNT IN MARKET
FOR THE 2022 Fiscal Year

Number of Franchisees	Average Gross Sales Per Customer Business Count	Median Gross Sales Per Customer Business Count	Number and Percentage of Franchisees that Attained or Exceeded Average Gross Sales	Range of Average Gross Sales Per Customer Business Count in Market
126	\$36.20	\$12.30	34 (27%)	\$.12 to \$492

SECTION II NOTES:

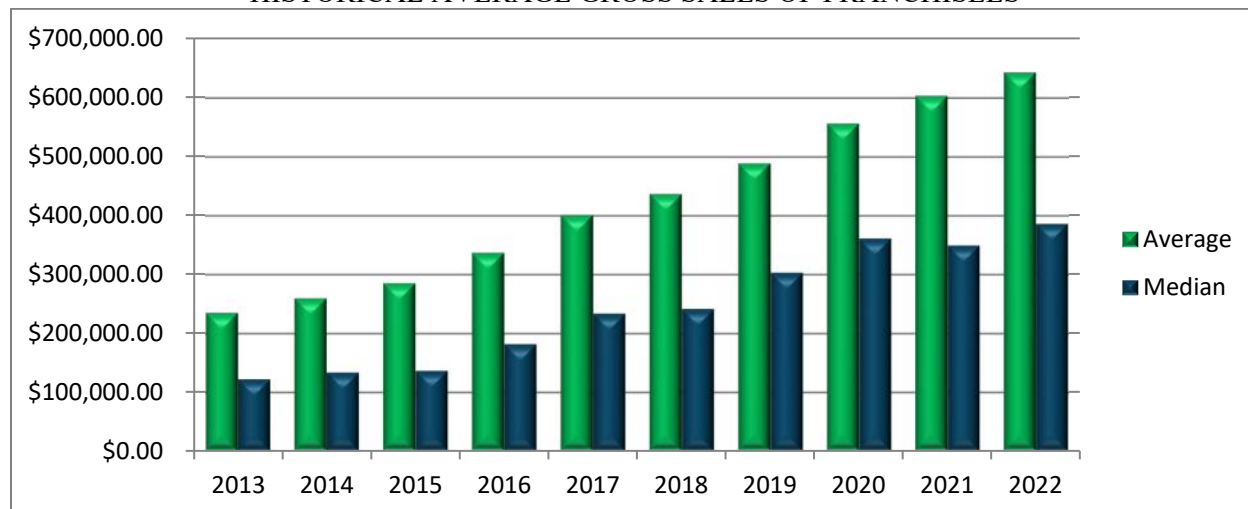
- (1) For each of the 126 franchisees, the Average Gross Sales Per Customer Business Count in Market is computed by taking each franchisee’s Gross Sales for the 2022 Fiscal Year and then dividing by the customer business count for that franchisee’s market area (regardless of whether that business is a customer of the OFFICE PRIDE® franchisee or not). The resulting number shows the franchisee’s market utilization for its market.
- (2) The business count for each franchisee’s market area is based on third party data provided by 360FranTerra (a product of GbBis, a national provider of geographic based business information).
- (3) Some of the franchisees included in this Section II operate their OFFICE PRIDE® business on a part time basis and some operate their OFFICE PRIDE® business on a full time basis.

Section III – Average Gross Sales for 2013 to 2022 Fiscal Years

The tables below reflect the historical average gross sales for the OFFICE PRIDE® franchised businesses that were in operation for the entire twelve (12) month period for any of the 2013 to 2022 fiscal years – i.e., from January 1 to December 31 for each of the years 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021 or 2022. Only those OFFICE PRIDE® franchised businesses that were in operation for the entire fiscal year for each specific year noted are included in the tables below (for example, the information for 2013 includes only those franchised business that were open for the entire 2013 fiscal year, and the information for 2014 includes only those franchised businesses that were open for the entire 2014 year). For purposes of the tables included in this Section II, the terms “Gross Sales” and “Quartiles” have the same meanings as noted in Section I above. The financial performance information presented below is based on the invoices our billing service affiliate sent to OFFICE PRIDE® customers during the 2013 to 2022 fiscal years. We have not audited this information for purposes of Item 19.

The chart and table below reflect historical average gross sales information for all OFFICE PRIDE® franchised businesses that were in operation during the entire twelve (12) month period for each respective year.

HISTORICAL AVERAGE GROSS SALES OF FRANCHISEES



Year	2013 ¹	2014 ²	2015 ³	2016 ⁴	2017 ⁵	2018 ⁶	2019 ⁷	2020 ⁸	2021 ⁹	2022 ¹⁰
No. of Franchisees	88	91	100	102	104	110	116	118	124	126
Average Gross Sales	\$234,428	\$259,239	\$284,660	\$336,368	\$400,615	\$436,504	\$488,641	\$556,240	\$603,486	\$643,379
Median	\$122,011	\$133,313	\$136,368	\$181,351	\$233,307	\$241,104	\$302,723	\$360,715	\$348,590	\$385,793
Low/High	\$4,708 to \$1,725,570	\$7,482 to \$1,973,623	\$3,675 to \$2,395,988	\$7,895 to \$2,685,285	\$7,559 to \$3,652,670	\$5,625 to \$4,398,270	\$5,460 to \$4,343,960	\$4,652 to \$5,589,787	\$3,879 to \$6,329,074	\$4,824 to \$7,367,217

TABLE NOTES:

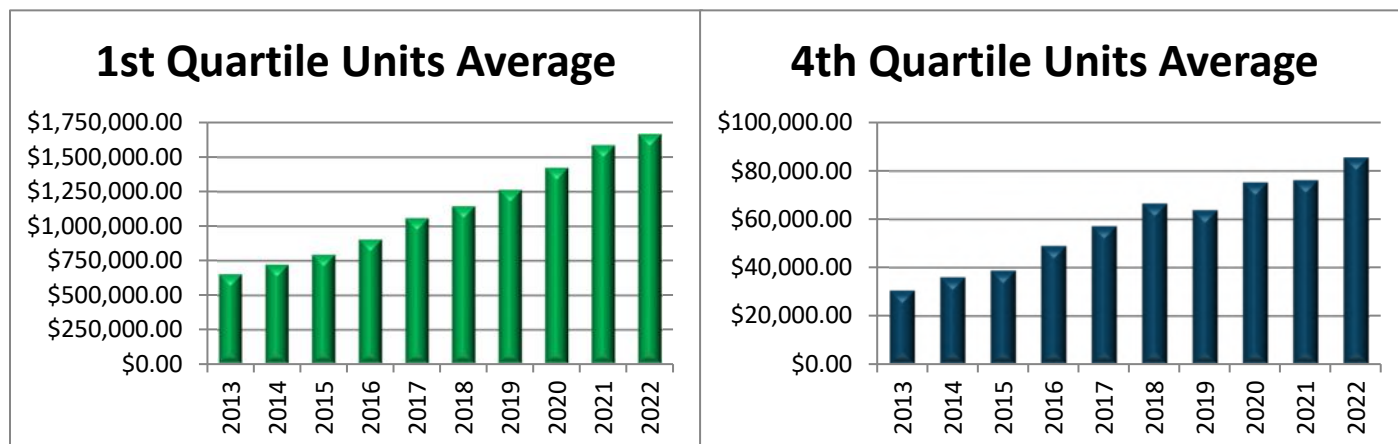
- (1) This information represents the average gross sales for 88 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2013 through December 31, 2013 (the “2013 Fiscal Year”). This information does not include any gross sales information for OFFICE PRIDE® franchisees that did not operate during the entire 2013 Fiscal Year. Of the 88 OFFICE PRIDE® franchisees included in the table above, 25 (28.4%) attained or exceeded \$234,428 in average gross sales.
- (2) This information represents the average gross sales for 91 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2014 through December 31, 2014 (the “2014 Fiscal Year”). This information does not include any gross sales information for the 19 OFFICE PRIDE® franchisees that did not operate during the entire 2014 Fiscal Year, none of which closed after being open for less than 12 months. Of the 91 OFFICE PRIDE® franchisees included in the table above, 26 (28.6%) attained or exceeded \$259,239 in average gross sales.
- (3) This information represents the average gross sales for 100 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2015 through December 31, 2015 (the “2015 Fiscal Year”). This information does not include any gross sales information for the 20 OFFICE PRIDE® franchisees that did not operate during the

entire 2015 Fiscal Year, none of which closed after being open for less than 12 months. Of the 100 OFFICE PRIDE® franchisees included in the table above, 27 (27.0%) attained or exceeded \$284,660 in average gross sales.

- (4) This information represents the average gross sales for 102 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2016 through December 31, 2016 (the “2016 Fiscal Year”). This information does not include any gross sales information for the 22 OFFICE PRIDE® franchisees that did not operate during the entire 2016 Fiscal Year, 1 of which closed after being open for less than 12 months. Of the 102 OFFICE PRIDE® franchisees included in the table above, 32 (31.4%) attained or exceeded \$336,368 in average gross sales.
- (5) This information represents the average gross sales for 104 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2017 through December 31, 2017 (the “2017 Fiscal Year”). This information does not include any gross sales information for the 23 OFFICE PRIDE® franchisees that did not operate during the entire 2017 Fiscal Year, none of which closed after being open for less than 12 months. Of the 104 OFFICE PRIDE® franchisees included in the table above, 32 (31%) attained or exceeded \$400,615 in average gross sales.
- (6) This information represents the average gross sales for 110 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2018 through December 31, 2018 (the “2018 Fiscal Year”). This information does not include any gross sales information for the 21 OFFICE PRIDE® franchisees that did not operate during the entire 2018 Fiscal Year, none of which closed after being open for less than 12 months. Of the 110 OFFICE PRIDE® franchisees included in the table above, 37 (33.6%) attained or exceeded \$436,504 in average gross sales.
- (7) This information represents the average gross sales for 116 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2019 through December 31, 2019 (the “2019 Fiscal Year”). This information does not include any gross sales information for the 19 OFFICE PRIDE® franchisees that did not operate during the entire 2019 Fiscal Year, 1 of which closed after being open for less than 12 months. Of the 116 OFFICE PRIDE® franchisees included in the table above, 37 (31.9%) attained or exceeded \$488,641 in average gross sales.
- (8) This information represents the average gross sales for 118 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2020 through December 31, 2020 (the “2020 Fiscal Year”). This information does not include any gross sales information for the 21 OFFICE PRIDE® franchisees that did not operate during the entire 2020 Fiscal Year. Of the 118 OFFICE PRIDE® franchisees included in the table above, 40 (33.9%) attained or exceeded \$556,240 in average gross sales.
- (9) This information represents the average gross sales for 124 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2021 through December 31, 2021 (the “2021 Fiscal Year”). This information does not include any gross sales information for 27 OFFICE PRIDE® franchisees that did not operate during the entire 2021 Fiscal Year, none of which closed after being open for less than 12 months. Of the 124 OFFICE PRIDE® franchisees included in the table above, 40 (32.26%) attained or exceeded \$603,486 in average gross sales.

- (10) This information represents the average gross sales for 126 OFFICE PRIDE® franchisees that operated an OFFICE PRIDE® business for the entire twelve (12) month period from January 1, 2022 through December 31, 2022 (the “2022 Fiscal Year”). This information does not include any gross sales information for 19 OFFICE PRIDE® franchisees that did not operate during the entire 2022 Fiscal Year, none of which closed after being open for less than 12 months. Of the 126 OFFICE PRIDE® franchisees included in the table above, 39 (30.95%) attained or exceeded \$643,379 in average gross sales.

The chart and table below reflects the historical average gross sales for the first and fourth quartiles of OFFICE PRIDE® franchised businesses that were in operation during the entire twelve (12) month period of one or more of the 2014 to 2022 Fiscal Years (as defined above).



Year	2013 ¹	2014 ²	2015 ³	2016 ⁴	2017 ⁵	2018 ⁶	2019 ⁷	2020 ⁸	2021 ⁹	2022 ¹⁰
1st Quartile	\$649,813	\$719,416	\$790,905	\$901,367	\$1,055,417	\$1,142,276	\$1,260,089	\$1,420,603	\$1,583,904	\$1,665,426
4th Quartile	\$30,457	\$35,903	\$38,704	\$48,888	\$57,076	\$66,389	\$63,684	\$75,135	\$76,093	\$85,509

TABLE NOTES:

- (1) This information represents the average gross sales for the 22 OFFICE PRIDE® franchisees in the 1st Quartile and 22 OFFICE PRIDE® franchisees in the 4th Quartile during the 2013 Fiscal Year. Of the 22 OFFICE PRIDE® franchisees included in the 1st Quartile, 7 (31.8%) attained or exceeded \$649,813 in average gross sales, the median gross sales for the 1st Quartile was \$500,149 and the low to high average gross sales range for the 1st Quartile was \$297,514 to \$1,725,570. Of the 22 OFFICE PRIDE® franchisees included in the 4th Quartile, 11 (50%) attained or exceeded \$30,457 in average gross sales, the median gross sales for the 4th Quartile was \$29,208 and the low to high average gross sales range for the 4th Quartile was \$4,708 to \$51,688.
- (2) This information represents the average gross sales for the 23 OFFICE PRIDE® franchisees in the 1st Quartile and 22 OFFICE PRIDE® franchisees in the 4th Quartile during the 2014 Fiscal Year. Of the 23 OFFICE PRIDE® franchisees included in the 1st Quartile, 7 (30.4%) attained or exceeded \$719,416 in average gross sales, the median gross sales for the 1st Quartile was \$524,937 and the low to high average gross sales range for the 1st Quartile was \$280,626 to \$1,973,623. Of the 22 OFFICE PRIDE® franchisees included in the 4th Quartile, 9 (40.9%) attained or exceeded \$35,903 in average gross sales, the median gross sales for the 4th Quartile was \$32,706 and the low to high average gross sales range for the 4th Quartile was \$7,482 to \$63,571.

- (3) This information represents the average gross sales for the 25 OFFICE PRIDE® franchisees in the 1st Quartile and 25 OFFICE PRIDE® franchisees in the 4th Quartile during the 2015 Fiscal Year. Of the 25 OFFICE PRIDE® franchisees included in the 1st Quartile, 7 (28.0%) attained or exceeded \$790,905 in average gross sales, the median gross sales for the 1st Quartile was \$549,301 and the low to high average gross sales range for the 1st Quartile was \$380,147 to \$2,395,988. Of the 25 OFFICE PRIDE® franchisees included in the 4th Quartile, 14 (56.0%) attained or exceeded \$38,704 in average gross sales, the median gross sales for the 4th Quartile was \$40,339 and the low to high average gross sales range for the 4th Quartile was \$3,675 to \$67,541.
- (4) This information represents the average gross sales for the 25 OFFICE PRIDE® franchisees in the 1st Quartile and 26 OFFICE PRIDE® franchisees in the 4th Quartile during the 2016 Fiscal Year. Of the 25 OFFICE PRIDE® franchisees included in the 1st Quartile, 7 (28.0%) attained or exceeded \$901,367 in average gross sales, the median gross sales for the 1st Quartile was \$648,006 and the low to high average gross sales range for the 1st Quartile was \$462,597 to \$2,685,285. Of the 26 OFFICE PRIDE® franchisees included in the 4th Quartile, 13 (50.0%) attained or exceeded \$48,888 in average gross sales, the median gross sales for the 4th Quartile was \$49,715 and the low to high average gross sales range for the 4th Quartile was \$7,895 to \$85,486.
- (5) This information represents the average gross sales for the 26 OFFICE PRIDE® franchisees in the 1st Quartile and 26 OFFICE PRIDE® franchisees in the 4th Quartile during the 2017 Fiscal Year. Of the 26 OFFICE PRIDE® franchisees included in the 1st Quartile, 7 (27%) attained or exceeded \$1,055,417 in average gross sales, the median gross sales for the 1st Quartile was \$749,306 and the low to high average gross sales range for the 1st Quartile was \$483,392 to \$3,652,670. Of the 26 OFFICE PRIDE® franchisees included in the 4th Quartile, 13 (50%) attained or exceeded \$57,076 in average gross sales, the median gross sales for the 4th Quartile was \$58,726 and the low to high average gross sales range for the 4th Quartile was \$7,559 to \$107,343.
- (6) This information represents the average gross sales for the 27 OFFICE PRIDE® franchisees in the 1st Quartile and 28 OFFICE PRIDE® franchisees in the 4th Quartile during the 2018 Fiscal Year. Of the 27 OFFICE PRIDE® franchisees included in the 1st Quartile, 6 (22.2%) attained or exceeded \$1,142,276 in average gross sales, the median gross sales for the 1st Quartile was \$796,447 and the low to high average gross sales range for the 1st Quartile was \$554,138 to \$4,398,270. Of the 28 OFFICE PRIDE® franchisees included in the 4th Quartile, 17 (60.7%) attained or exceeded \$66,389 in average gross sales, the median gross sales for the 4th Quartile was \$75,483 and the low to high average gross sales range for the 4th Quartile was \$5,625 to \$114,466.
- (7) This information represents the average gross sales for the 29 OFFICE PRIDE® franchisees in the 1st Quartile and 29 OFFICE PRIDE® franchisees in the 4th Quartile during the 2019 Fiscal Year. Of the 29 OFFICE PRIDE® franchisees included in the 1st Quartile, 5 (17.2%) attained or exceeded \$1,260,089 in average gross sales, the median gross sales for the 1st Quartile was \$869,280 and the low to high average gross sales range for the 1st Quartile was \$630,097 to \$4,343,960. Of the 29 OFFICE PRIDE® franchisees included in the 4th Quartile, 14 (48.3%) attained or exceeded \$63,684 in average gross sales, the median gross sales for the 4th Quartile was \$57,877 and the low to high average gross sales range for the 4th Quartile was \$5,460 to \$103,718.
- (8) This information represents the average gross sales for the 29 OFFICE PRIDE® franchisees in the 1st Quartile and 30 OFFICE PRIDE® franchisees in the 4th Quartile during the 2020 Fiscal Year. Of the 29 OFFICE PRIDE® franchisees included in the 1st Quartile, 6 (20.7%) attained or exceeded \$1,420,603 in average gross sales, the median gross sales for the 1st Quartile was \$1,025,227 and the low to high average gross sales range for the 1st Quartile was \$742,902 to

\$5,589,787. Of the 30 OFFICE PRIDE® franchisees included in the 4th Quartile, 15 (50.0%) attained or exceeded \$75,135 in average gross sales, the median gross sales for the 4th Quartile was \$74,942 and the low to high average gross sales range for the 4th Quartile was \$4,652 to \$134,294.

- (9) This information represents the average gross sales for the 31 OFFICE PRIDE® franchisees in the 1st Quartile and 31 OFFICE PRIDE® franchisees in the 4th Quartile during the 2021 Fiscal Year. Of the 31 OFFICE PRIDE® franchisees included in the 1st Quartile, 7 (22.6%) attained or exceeded \$1,583,904 in average gross sales, the median gross sales for the 1st Quartile was \$1,062,628 and the low to high average gross sales range for the 1st Quartile was \$718,136 to \$6,329,074. Of the 31 OFFICE PRIDE® franchisees included in the 4th Quartile, 16 (51.6%) attained or exceeded \$76,093 in average gross sales, the median gross sales for the 4th Quartile was \$79,254 and the low to high average gross sales range for the 4th Quartile was \$3,879 to \$134,944.
- (10) This information represents the average gross sales for the 31 OFFICE PRIDE® franchisees in the 1st Quartile and 32 OFFICE PRIDE® franchisees in the 4th Quartile during the 2022 Fiscal Year. Of the 31 OFFICE PRIDE® franchisees included in the 1st Quartile, 7 (22.6%) attained or exceeded \$1,665,426 in average gross sales, the median gross sales for the 1st Quartile was \$1,121,516 and the low to high average gross sales range for the 1st Quartile was \$773,758 to \$7,367,217. Of the 32 OFFICE PRIDE® franchisees included in the 4th Quartile, 14 (43.8%) attained or exceeded \$85,509 in average gross sales, the median gross sales for the 4th Quartile was \$75,143 and the low to high average gross sales range for the 4th Quartile was \$4,824 to \$157,858.

ADDITIONAL NOTES:

- (1) **Some outlets have earned this amount. Your individual results may differ. There is no assurance you will earn as much.**
- (2) We have not audited or independently verified the franchisee information included in this Item 19.
- (3) Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.
- (4) Other than the preceding financial performance representation, Faith Franchising Company, LLC 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 Jeff McMullen, Chief Financial Officer, Faith Franchising Company, LLC, 3450 East Lake Road, Suite 200, Palm Harbor, FL 34685 (727) 754-5990, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2020-2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	139	140	+1
	2021	140	145	+5
	2022	145	145	0
Company-Owned	2020	0	0	0
	2021	0	0	0
	2022	0	2	+2
Total Outlets	2020	139	140	+1
	2021	140	145	+5
	2022	145	147	+2

Table No. 2
Transfer of Outlets from Franchisees to New Owners
(other than the Franchisor)
For Years 2020-2022

State	Year	Number of Transfers
Alabama*	2020	1
	2021	0
	2022	0
Colorado	2020	1
	2021	0
	2022	0
Delaware	2020	0
	2021	0
	2022	1
Florida	2020	0
	2021	0
	2022	2
Indiana	2020	2
	2021	2
	2022	1
Kansas	2020	1
	2021	0
	2022	0

State	Year	Number of Transfers
Kentucky	2020	2
	2021	0
	2022	1
Maryland	2020	0
	2021	0
	2022	1
Tennessee**	2020	1
	2021	4
	2022	1
Texas	2020	1
	2021	0
	2022	0
Virginia	2020	0
	2021	1
	2022	0
Total	2020	9
	2021	7
	2022	7

*In 2020, one (1) OFFICE PRIDE® franchisee located in Alabama transferred its business to a franchisee operating in Tennessee.

**In 2021, our one (1) OFFICE PRIDE® franchisee located in Tennessee transferred its business to a franchisee operating in North Carolina.

**Table No. 3
Status of Franchised Outlets
For Years 2020-2022**

State	Year	Outlets at start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets At End of the Year
Alabama*	2020	10	1	0	0	0	1	10
	2021	10	0	0	0	0	0	10
	2022	10	0	1	0	0	0	9
Arkansas	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
California	2020	8	2	0	0	0	0	10
	2021	10	0	0	0	0	0	10
	2022	10	1	0	0	0	0	11

State	Year	Outlets at start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets At End of the Year
Colorado	2020	4	0	0	0	0	0	4
	2021	4	0	1	0	0	0	3
	2022	3	0	0	0	0	0	3
Connecticut	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Delaware	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Florida	2020	19	1	2	1	0	0	17
	2021	17	0	3	0	0	0	14
	2022	14	3	2	0	0	0	15
Georgia	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
Illinois	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Indiana	2020	25	2	2	0	0	0	25
	2021	25	0	1	0	0	0	24
	2022	24	2	0	0	0	0	26
Iowa	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
Kansas	2020	2	1	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Kentucky	2020	9	0	1	0	0	0	8
	2021	8	3	0	1	0	0	10
	2022	10	1	0	0	0	0	11
Maine	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Maryland	2020	4	1	1	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	1	0	0	0	3
Michigan	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Missouri	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1

State	Year	Outlets at start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets At End of the Year
Nevada	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
New Hampshire	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
North Carolina***	2020	3	0	0	0	0	0	3
	2021	3	2	1	0	0	0	4
	2022	4	0	0	0	0	1	3
Ohio	2020	7	0	1	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
Oklahoma	2020	2	0	0	0	0	0	2
	2021	2	1	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Pennsylvania	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
South Carolina	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
South Dakota	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Tennessee**	2020	12	1	0	0	0	0	13
	2021	13	1	0	0	0	1	13
	2022	13	1	0	2	0	0	12
Texas	2020	11	3	1	0	0	0	13
	2021	13	4	0	0	0	0	17
	2022	17	1	2	0	0	0	16
Virginia	2020	10	0	1	0	0	0	9
	2021	9	1	0	0	0	0	10
	2022	10	0	1	0	0	0	9
Total	2020	139	12	9	1	0	1	140
	2021	140	13	6	1	0	1	145
	2022	145	12	7	2	0	1	147

* In 2020, one (1) OFFICE PRIDE® franchisee located in Alabama transferred his business to a franchisee who resides in Tennessee (this transfer is disclosed in Table No. 2 above). Because this transfer resulted in a relocation of the business to Tennessee, we disclose that one (1) OFFICE PRIDE® franchisee located in Alabama ceased operations, and disclosed a new outlet opened in Tennessee.

** In 2021, one (1) OFFICE PRIDE franchisee located in Tennessee transferred his business to a franchisee who resides in North Carolina (this transfer is disclosed in Table 2 above). Because this transfer resulted in a relocation of the business to North Carolina, we disclose that one (1) OFFICE PRIDE franchisee located in Tennessee ceased operations, and disclosed a new outlet opened in North Carolina.

*** In 2022, one (1) OFFICE PRIDE franchisee located in North Carolina transferred his business to a franchisee who resides in Tennessee (this transfer is disclosed in Table 2 above). Because this transfer resulted in a relocation of the business to North Carolina, we disclose that one (1) OFFICE PRIDE franchisee located in North Carolina ceased operations, and disclosed a new outlet opened in Tennessee.

Table No. 4
Status of Company-Owned Outlets
For Years 2020-2022

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets At End of The Year
Total All States	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	2	0	0	0	2

Table No. 5
Projected Openings
As of December 31, 2022

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in The Next Fiscal Year	Projected New Company-Owned Outlets In the Next Fiscal Year
Alabama	0	1	0
California	0	2	0
Florida	0	2	0
Georgia	0	1	0
Illinois	0	1	0
Indiana	0	0	1
Kentucky	0	1	0
Maryland	0	1	0
Mississippi	0	1	0
Mew Mexico	0	1	0
New York	0	1	0
North Carolina	0	1	0
Ohio	0	2	0
Tennessee	0	1	0
Texas	0	2	0
Virginia	0	1	0
Washington	0	1	0
Total	0	20	1

A list of our current franchisees is attached as Exhibit D to the Disclosure Document. Exhibit D also identifies those franchisees who have had an outlet terminated, cancelled, not renewed or have otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during our last fiscal year or have not communicated with us within 10 weeks of the date of this Disclosure Document. If

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

During the last 3 fiscal years, we have signed confidentiality clauses with current or former franchisees. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all franchisees will be able to communicate with you.

We have not created, sponsored or endorsed any trademark-specific franchisee associations. We do have a Franchisee Advisory Council that serves in an advisory capacity. Its contact information is the same as our contact information noted in Item 1.

ITEM 21 **FINANCIAL STATEMENTS**

Attached to this Disclosure Document as Exhibit B are our audited financial statements for the calendar years 2022, 2021, and 2020. Our fiscal year ends December 31.

ITEM 22 **CONTRACTS**

Attached to this Disclosure Document as Exhibit A-1 is our franchise agreement. Attached to this Disclosure Document as Exhibit A-2 is a sample general release. Attached to this Disclosure Document as Exhibit A-3 is our form of addendum to the franchise agreement for renewing franchisees. Attached to this Disclosure Document as Exhibit A-4 is our form SBA addendum to the franchise agreement. Attached to this Disclosure Document as Exhibit A-5 is our form Conversion Franchise addendum to the franchise agreement. Attached to this Disclosure Document as Exhibit H is our form Compliance Certification.

ITEM 23 **RECEIPTS**

Attached to this Disclosure Document as Exhibit J is a detachable acknowledgement of receipt.

EXHIBIT A-1

OFFICE PRIDE®

FRANCHISE AGREEMENT

OFFICE PRIDE®

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “Agreement”) is made and entered into on [DATE], by and between FAITH FRANCHISING COMPANY, LLC, a limited liability company organized under Delaware law, with its principal business address at 3450 East Lake Road, Suite 200, Palm Harbor, Florida 34685 (referred to in this Agreement as “Franchisor,” “we,” “us” or “our”), and [FRANCHISE OWNER], whose principal business address is [FRANCHISE ADDRESS] (referred to in this Agreement as “Franchisee,” “you,” “your” or “owner”).

1. PREAMBLES AND GRANT OF FRANCHISE.

1.1. PREAMBLES. We have expended considerable time and effort in developing a janitorial service business that sells and performs janitorial services, related services and ancillary goods in office buildings, retail buildings, medical buildings, commercial buildings, churches and other commercial facilities that require routine contract cleaning to create or maintain a clean work environment. These businesses operate under the **OFFICE PRIDE®** name and under distinctive business formats, methods, procedures, equipment, standards and specifications, all of which we may improve, further develop or otherwise modify from time to time (the “System”). We use, promote and license certain trademarks, service marks and other commercial symbols in connection with the operation of **OFFICE PRIDE®** businesses, including the **OFFICE PRIDE®** trademarks and service marks and associated logos (collectively, the “Marks”). You have indicated to us by your actions and statements that you wish to own and operate an **OFFICE PRIDE®** business.

You acknowledge that you have read this Agreement and our Franchise Disclosure Document and understand and accept the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards at each **OFFICE PRIDE®** business and thereby to protect and preserve the goodwill of the Marks. All business dealings between you and our officers, directors and employees as a result of this Agreement are solely between you and us.

You represent to us, as an inducement to our entry into this Agreement, that all statements you have made and all materials you have submitted to us in connection with your purchase of the franchise are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the franchise. We have approved of your purchasing a franchise in reliance upon all of your representations.

1.2. CORPORATE OR PARTNERSHIP FRANCHISEE. You are a legal entity, and you agree and represent that:

1.2.1. You will have the authority to execute, deliver and perform your obligations under this Agreement and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation. You will notify us within five (5) days whenever there is a change in your corporate status or whenever you receive service of process for any reason;

1.2.2. Your organizational documents or partnership agreement will recite that the issuance and transfer of any ownership interests in you are restricted by the terms of this Agreement, and all certificates and other documents representing ownership interests in you will bear a legend referring to the restrictions of this Agreement;

1.2.3. Exhibit A to this Agreement will completely and accurately describe all of your owners and their interests in you; and

1.2.4. Each of your owners, at any time during the term of this Agreement, will execute an agreement in the form that we prescribe (see Exhibit B to this Agreement) undertaking to be bound jointly and severally by all provisions of this Agreement and any ancillary agreements between you and us that bind you. You and your owners agree to execute and deliver to us such revised Exhibits “A” as may be necessary to reflect any changes in the information contained therein and to furnish such other information about your organization or information as we may request within five (5) days of such change.

1.3. GRANT OF FRANCHISE. You desire a franchise to own and operate an **OFFICE PRIDE®** business in a particular territory. Subject to the terms of and upon the conditions contained in this Agreement, we hereby grant you a franchise (the “Franchise”) to operate an **OFFICE PRIDE®** business (the “BUSINESS” as further defined in Article 17.21), in the following Territory described in Attachment A-1M to this Agreement (the “Territory) and to use the System in the operation of the BUSINESS, for a term commencing on the date of this Agreement and expiring on the tenth (10th) anniversary, unless sooner terminated in accordance with Article 14 hereof. You may not change your Territory without our prior written consent.

1.4. YOUR PERFORMANCE. You agree that you will at all times faithfully, honestly and diligently perform your obligations hereunder, continuously exert your best efforts to promote and enhance the BUSINESS and not engage in any other business or activity that conflicts with your obligations to operate the BUSINESS in compliance with this Agreement.

1.5. RIGHTS WE RESERVE. You acknowledge and agree that a territory is not necessary for the operation of the franchise, and therefore we (and our affiliates) retain the right to:

1.5.1. Establish, and grant to franchisees the right to establish, **OFFICE PRIDE®** businesses anywhere on such terms and conditions as we deem appropriate;

1.5.2. Sell our services, products and ancillary goods, whether or not using the Marks, through channels of distribution other than through **OFFICE PRIDE®** businesses;

1.5.3 Merge with, acquire or become acquired by any businesses, including competitive businesses, which businesses operate under trademarks other than the **OFFICE PRIDE®** Marks and may offer or sell products and services that are the same as or similar to the products and services offered at or from your Business; and

1.5.4. You may not solicit business from customers who are already being serviced by another **OFFICE PRIDE®** business or from customers who are located outside your Territory (as defined in Article 1.3 above), except for the limited circumstances set forth in the Methods of Operations

2. BUSINESS DEVELOPMENT.

2.1. BUSINESS DEVELOPMENT. You are responsible for developing the BUSINESS. We will furnish you with mandatory and suggested specifications for an **OFFICE PRIDE®** business, including requirements for image, equipment and other suggestions. You may operate the BUSINESS from any address you choose in your Territory.

2.2. YOUR OBLIGATIONS. You agree, at your own expense, to do the following with respect to developing the BUSINESS:

2.2.1. Secure all financing you need, if any, to develop and operate the BUSINESS;

2.2.2. Obtain all permits and licenses required to operate the BUSINESS;

2.2.3. Purchase or lease all equipment required for the BUSINESS;

2.2.4. Purchase all authorized and approved ancillary goods, materials and supplies required for the BUSINESS; and

2.2.5. Obtain customers and customer contracts for your BUSINESS either on your own behalf or, if applicable, from us, our affiliates, or your area developer. We, however, reserve the right to review the contracts/accounts you obtain to ensure that the services you provide are authorized and comply with our System requirements. We may disapprove of a customer if the services to be provided are not authorized or do not comply with our System requirements.

2.3. BUSINESS COMMENCEMENT. You agree not to commence operation of the BUSINESS until:

2.3.1. You have completed our initial training program;

2.3.2. The initial franchise fee and all other amounts then due to us have been paid; and

2.3.3. We have been furnished with copies of all insurance policies required by this Agreement, or such other evidence of insurance coverage and payment of premiums as we request or accept.

2.4. COMMENCEMENT DEADLINE. You agree to commence BUSINESS operations within ninety (90) days after the execution of this Agreement and within five (5) days after we notify you that the conditions in Article 2 have been satisfied.

2. FEES.

3.1. INITIAL FRANCHISE FEE. You agree to pay us a nonrecurring and nonrefundable initial franchise fee in the amount of \$39,000 upon the signing of this Agreement (reduced to \$29,000 if (i) you are a qualifying existing franchisee we approve to open an additional franchise, or (ii) you are a franchisee who we confirm was initially referred to us from an existing **OFFICE PRIDE®** franchisee as part of our franchisee referral program), which amount will be fully earned by us upon the execution of this Agreement, except if we terminate this Agreement in accordance with Article 14.2.1. below.

3.2. ROYALTY. You agree to pay us a royalty (“Royalty”) in the amount of nine (9%) percent of Revenue Sales Collected (defined below) per weekly period (each an “Accounting Period”). We, our affiliate or a third party we designate will process your invoices, as noted in Article 4.4.3, and seek collection of all invoiced amounts from customers you service. We reserve the right to change our invoicing and collection process at any time.

3.2.1. We will pay you collected Revenue Sales Collected, less the Royalty, Processing Fee (see Article 3.6. below), Technology Fee (see Article 3.12 below) and less any other amounts due under this Agreement (or any other agreement between you and us (or our affiliates)), within ten days following the end of each preceding Accounting Period via direct deposit or by bank-wire transfer, as we determine,

along with our statements of collected Revenue Sales Collected and Outstanding Invoices by United States Mail, e-mail or by facsimile transmission, as we determine.

3.2.2. If you request an advance on your portion of the collected Revenue Sales Collected, we will pay you your portion of the collected Revenue Sales Collected but will charge you an Advance Fee as outlined in Section 3.11.

3.2.3. We will collect all Revenue Sales Collected on your behalf. If you collect any Revenue Sales Collected from a customer directly, you will be in breach of this Agreement and we reserve the right to charge you an Administration Fee in an amount detailed in the Methods of Operations and any other costs and expenses we incur relating to your breach.

3.2.4. If your monthly Revenue Sales Invoiced exceeds a certain volume, we will rebate back to you a certain percentage of the royalties you paid based on Revenue Sales Collected for the same month as follows:

Monthly Revenue Sales Invoiced	Rebate Amount (Paid Monthly)
\$0 - \$49,999	No Rebate
\$50,000 - \$99,999	1% of all monthly Sales Revenue Collected over \$50,000
\$100,000-\$299,999	An additional 1% (total of 2%) of all monthly Sales Revenue collected over \$100,000
\$300,000+	An additional 1% (total of 3%) of all monthly Sales Revenue collected over \$300,000

The rebate amount will be paid to you by the last day of the following month. From time to time, we also may approve in writing a large customer rebate for a customer that you obtain that meets our large customer qualifying criteria. The large customer rebate is separate from the billing revenue volume rebate. We reserve the right to change how we calculate and pay rebates at any time with 30 days' written notice.

3.3. DEFINITIONS OF “REVENUE SALES COLLECTED” AND “REVENUE SALES INVOICED”.

3.3.1 As used in this Agreement, the term “Revenue Sales Collected” means all revenue collected from the operation of your BUSINESS, whether from cash, check, electronic or credit transactions, but excluding all federal, state or municipal sales, use or service taxes collected from customers and paid to the appropriate taxing authority and excluding customer refunds, adjustments, credits and allowances actually made by the BUSINESS in compliance with the “Methods of Operations” (defined in Article 4.5.). You acknowledge and agree that it is your sole and exclusive obligation and responsibility to pay all state and federal taxes for your BUSINESS. You are solely responsible for any refunds due to your customers from your BUSINESS.

3.3.2 As used in this Agreement, the term “Revenue Sales Invoiced” means all sales invoiced from the operation of your BUSINESS to customers, in accordance with the “Methods of Operations”, but excluding all federal, state or municipal sales, use or service taxes invoiced to customers and paid to the appropriate taxing authority, and adjusted by customer refunds, adjustments, credits and allowances actually made by the BUSINESS. You acknowledge and agree that it is your sole and exclusive obligation and responsibility to pay all state and federal taxes for your BUSINESS. You are solely responsible for any refunds due to your customers from your BUSINESS.

3.4. INTEREST ON LATE PAYMENTS. Interest at a rate of 6% per annum, or the highest rate allowed under applicable law will be due on late payments by either party, calculated from the date due until the date paid. In no circumstances will either party be responsible for interest on late payments to the other party if such late payment is due to circumstances that are beyond the party's control.

3.5. APPLICATION OF PAYMENTS. Notwithstanding any designation you might make, we have the right to apply any amounts collected from you to any of your past due indebtedness to us (or our affiliates), including any amounts owed under a promissory note or other financing agreement. You acknowledge and agree that we have the right to set off any amounts you or your owners owe us against any amounts we might owe you or your owners.

3.6 PROCESSING FEE. We will collect a processing fee ("Processing Fee") in the amount of 1.5% percent of Revenue Sales Collected (defined below). After 1 year from completion of classroom training, the greater of 1.5% or \$65 per calendar week will be collected. The Processing Fee will be collected weekly concurrently with our collection of the Royalty. We will provide a rebate back to you on the Processing Fee in the form of a reduced Processing Fee of .25% for the portion of Revenue Sales Collected over \$2,000,000 in a single calendar year. We reserve the right to increase the Processing Fee upon 30 days advance written notice. Any increase to the Processing Fee will reflect the actual costs we incur to collect and invoice customers on your behalf.

3.7 DEBT REPAYMENT. We shall periodically (on a weekly or monthly basis as we deem appropriate) collect a sum of money from you to repay your debt obligations to us or our affiliates. This sum shall be based on our mutually agreed amortization schedule and shall be collected by the same means as the Royalty Fee.

3.8 SERVICE FEE. You agree that, if you fail to follow our "Methods of Operations," including, for example, failing to timely notify us that a customer contract was cancelled, and such failure results in our having to perform, fully or partially, any service for your accounts, you will pay us the reasonable fees and expenses we (or our designees) incur to fulfill the service obligation for your account, in addition to any other amounts due under this Agreement. Nothing in this Article shall be construed as imposing on us, or our assuming, any obligation to fulfill your service obligations.

3.9 FRANCHISE RETREAT FEE. You agree to pay us a yearly franchise retreat fee (currently \$500). The fee will be deducted from the last pass-through as of the date we designate in advance. If you attend the retreat the payment will be returned to you to help cover your cost of attending. If you fail to attend the retreat, we will retain the retreat fee.

3.10 CUSTOMER DEVELOPMENT FEE. You may obtain customer accounts on your own behalf or seek assistance, if available, from us, our affiliates or your area developer. If we, our affiliates or your area developer agrees to assist you in locating customer accounts, you must pay us, our affiliates, or your area developer a Customer Development Fee for any customer accounts they provide to you.

3.11 ADVANCE FEE. If you request an advance on your Revenue Sales Collected as outlined in Section 3.2.2 or you request that we pay a supplier on your behalf (and we agree to pay a supplier on your behalf), we may charge you a \$100 Advance Fee for each request. The Advance Fee will be deducted from the Revenue Sales Collected we pay to you.

3.12 TECHNOLOGY FEE. You agree to pay us a technology fee in the amount of \$250 per month (the "Technology Fee") beginning two months after completion of initial training. A pro rata portion of the monthly Technology Fee will be deducted each week from the Revenue Sales Collected we pay to

you. We reserve the right to increase the Technology Fee to cover increased costs of technology, including any new technology/software that we implement for the System.

4. TRAINING AND ONGOING ASSISTANCE AND OBLIGATIONS.

4.1. TRAINING. Before the BUSINESS begins operating, your managing shareholder or partner must complete our initial classroom training on the operation of an **OFFICE PRIDE®** business. You may elect to enroll one (1) additional employee in the training program. Initial classroom training will be held at our corporate headquarters, virtually or an operating **OFFICE PRIDE®** business. You also must complete our in-market training, which consists of approximately seven days (which may not be consecutive) during which your Area Developer (if you are included in an area developer's trade area) or our representative will assist you with sales and operation.

Your managing shareholder or partner is required to complete the initial training to our satisfaction. You also are required to participate in all other activities required to operate the BUSINESS. Although we will furnish initial training to your managing shareholder or partner and, if you choose, one (1) additional employee at no additional fee or other charge, you will be responsible for all travel and living expenses which your managing shareholder or partner and your employee(s) incur in connection with training. If we determine that your managing shareholder or partner are unable to complete initial training to our satisfaction, by written and/or oral exam or otherwise, we have the right to terminate this Agreement as per Article 14 hereof and refund to you 50% of the initial franchise fee. If we exercise this option, you must return to us all Manuals, equipment and other materials that we have provided to you.

4.2. REFRESHER TRAINING. We may require your managing shareholder or partner and/or previously trained and experienced employees to attend periodic refresher training courses at such times and locations that we designate, and we may charge reasonable fees for such courses. You agree to give us reasonable assistance in training or assisting other **OFFICE PRIDE®** franchisees. We will reimburse you for your reasonable costs and expenses in providing such assistance. Any training provided by us to any of your workers will be limited to training or guidance regarding the delivery of approved services to clients in a manner that reflects the customer and client service standards of the System. You are, and will remain, the sole employer of your employees at all times, including during all training programs, and you are solely responsible for all employment decisions and actions related to your workers. You are solely responsible for ensuring that your workers receive adequate training.

4.3. GENERAL GUIDANCE. We will advise you from time to time regarding operating issues concerning the BUSINESS disclosed by reports you submit to us or on-site inspections we make. Such guidance will be furnished in our Methods of Operations (defined in Article 4.5. below), bulletins or other written materials and/or during telephone consultations and/or consultations at our principal business address or the BUSINESS. In addition, we will furnish guidance to you with respect to:

4.3.1. The System as utilized by the BUSINESS;

4.3.2. Purchasing required equipment, ancillary goods, materials and supplies; and you acknowledge and agree that we may derive revenue or other consideration from your purchases of equipment, goods, materials and supplies;

4.3.3. Advertising and marketing programs; and

4.3.4. Administrative, bookkeeping and accounting procedures.

4.4. ON-SITE CONSULTATION AND ADDITIONAL GUIDANCE. We may visit your BUSINESS as we deem appropriate to provide you with guidance, support and assistance (we also may elect to provide this guidance, support and assistance in a virtual format). During the term of this Agreement, additional guidance may be provided in any of the following ways:

4.4.1. Telephone consultation during such times as are outlined in the Methods of Operations (see Article 4.5. below);

4.4.2. Buying advisory services whereby we may provide you with lists of sources and approved suppliers for our ancillary goods, services, equipment, etc. Although we do not do so for every item, we have the right to approve the supplier of approved goods, services, equipment, etc. You acknowledge and agree that certain approved goods, services, equipment, etc. may only be available from one approved supplier source, and we or our affiliates may be that source. You will pay the then-current price in effect for any approved goods, services, equipment, etc. you purchase from us or our affiliates. We reserve the right to receive rebates or payments from approved suppliers and retain and use such rebates or payments as we deem appropriate or as required by the vendor, which may include funding costs associated with advertising and promotions, or distribute part of the rebates or payments to you in such amounts and allocation methods as we deem appropriate. We reserve the right to modify or cancel these programs or arrangements upon written notice to franchisees.

4.4.3. Administrative services whereby we or our affiliate will provide centralized administrative support services to help you with accounts receivable. Specifically, we, our affiliate or a third party we designate will invoice any and all of the customers you service as per our “Methods of Operations” (defined in Article 4.5.). We, our affiliate or a third party we designate will collect payments from the customers you service and maintain your accounts receivable. As of the date of this Agreement, you acknowledge and agree that we will collect payments from the customers you service and send you a statement of Outstanding Invoices. **WE MAKE NO WARRANTY OR GUARANTY THAT WE WILL BE ABLE TO COLLECT ANY OR ALL AMOUNTS OWED TO YOU.** To avoid customer confusion, you agree that you will not invoice or collect payment from the customers you service outside of our approved invoicing and collection process. For past-due customers, we may send you a statement of Outstanding Invoices. Following your receipt of the statement of Outstanding Invoices, you and we will contact the account in an effort to make collection;

4.4.4. Ongoing marketing programs to fulfill our obligations in Article 9 of this Agreement;

4.4.5. Meetings, seminars or conventions whereby we may get together with you and other OFFICE PRIDE® franchisees for business or social purposes;

4.4.6. Research and development regarding Methods of Operations (see Article 4.5. below); and/or

4.4.7. As we may mutually agree, we may provide ongoing training or support to you, and we may charge you a fee, including reimbursement for any travel or living expenses we incur in connection with providing this additional training or support.

4.5. METHODS OF OPERATIONS. During the term of this Agreement, we will provide you with electronic access to our Methods of Operations (“Methods of Operations”). The Methods of Operations contain the required standards and specifications for the System and the operation of an OFFICE PRIDE® business. The Methods of Operations also may include recommended practices, policies and guidelines that you may, but are not required to, adopt in connection with operating your OFFICE PRIDE® BUSINESS. Any required standards exist to protect our interests in the System and the Marks

and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be set forth in the Methods of Operation or other written materials. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative, provided you meet and comply with the required standards. In other instances, no suitable alternative may exist. In order to protect our interests in the System and the Marks, we reserve the right to determine if you are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

The Methods of Operations may be modified from time to time. You agree to keep your copy of the Methods of Operations current. In the event of a dispute relating to its contents, the master copy of the Methods of Operations found on our intranet site or other electronic portal will control. You acknowledge and agree that you are responsible for ensuring that the operation of your BUSINESS complies with the most recent version of the Methods of Operations. **YOU MAY NOT AT ANY TIME COPY, DUPLICATE, RECORD OR OTHERWISE REPRODUCE ANY PART OF THE METHODS OF OPERATIONS OR OTHER CONFIDENTIAL INFORMATION OF OURS.**

4.6. GRAND OPENING SUPPORT AND ASSISTANCE. We will provide you with grand opening support and assistance, as described more fully in the Methods of Operations. While you are not required to purchase a vehicle, vehicle logo package or vehicle wrap package, if you choose to have a logo or wrap for your vehicle, it must be our approved logo or wrap package. So long as the application of the vehicle logo package or vehicle wrap is during the first 6 months you operate the Business, the Advertising Fund will reimburse you up to \$400 for an approved logo package or \$800 for an approved wrap package.

5. MARKS.

5.1. OWNERSHIP AND GOODWILL OF MARKS. Your right to use the Marks is derived solely from this Agreement and limited to your operation of the BUSINESS as per and in compliance with this Agreement and the required standards outlined in the Methods of Operations, which we prescribe from time to time during the term. Your unauthorized use of the Marks will be a breach of this Agreement and an infringement of our rights in and to the Marks. You acknowledge and agree that your usage of the Marks and any goodwill established by such use will be exclusively for our benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate the BUSINESS in compliance with this Agreement). All provisions of this Agreement applicable to the Marks apply to any additional proprietary trademarks and service marks and commercial symbols we authorize you to use.

5.2. LIMITATIONS ON YOUR USE OF THE MARKS. You agree to use the Marks as the sole identification of the BUSINESS, except that you agree to identify yourself as the independent owner of the BUSINESS in the manner we prescribe. You may not use any Marks as part of any corporate or legal business name or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed to you hereunder), or in any modified form, nor may you use any Marks in connection with the performance or sale of any unauthorized ancillary goods or services or in any other manner we have not expressly authorized in writing, nor may you use any of the following as part of your name: office, pride, commercial, international, developer, service, janitorial, cleaning, or green. No Marks may be used in any advertising concerning the transfer, sale or other disposition of the BUSINESS or an ownership interest in you. You agree to display the Marks prominently in the manner we prescribe at the BUSINESS, on supplies or materials we designate and in connection with forms and advertising and marketing materials. You agree to give such notices of trademark and service marks registrations; i.e.,

“®”, “®”, as we specify and to obtain any fictitious or assumed name registrations required under applicable law.

5.3. NOTIFICATION OF INFRINGEMENTS AND CLAIMS. You agree to notify us immediately of any apparent infringement or challenge to your use of any Marks, or of any claim by any person of any rights in any Marks and agree not to communicate with any person other than us, our attorneys and your attorneys in connection with any such infringement, challenge or claim. We have the right to take such action as we deem appropriate and the right to control exclusively any litigation, United States Patent and Trademark Office (“USPTO”) proceeding or any other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Marks. You agree to sign any and all instruments and documents, render such assistance and do such acts and things as, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interests in any litigation or USPTO proceeding or other proceeding or otherwise to protect and maintain our interests in the Marks.

5.4. DISCONTINUANCE OF USE OF THE MARKS. If we determine that it is advisable for us and/or you to modify or discontinue the use of any Marks and/or use one or more additional or substitute trademarks or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We will not be obligated to reimburse you for any loss of revenue attributable to any modified or discontinued Marks or for any expenditures you make to promote a modified or substitute trademark or service mark.

6. CONFIDENTIAL INFORMATION.

6.1. WHAT’S OURS, IS OURS. We possess (and will continue to develop and acquire), and may disclose to you, certain confidential information (the “Confidential Information”) relating to the development and operation of **OFFICE PRIDE®** businesses, which may include (without limitation):

6.1.1. The System, the Methods of Operations, any other proprietary materials, the sales and marketing techniques used, and knowledge of and experience in developing and operating **OFFICE PRIDE®** businesses;

6.1.2. Marketing and advertising programs for **OFFICE PRIDE®** businesses;

6.1.3. Knowledge of specifications for and suppliers of certain ancillary goods, services, equipment, materials and supplies; and

6.1.4. Knowledge of the operating results and financial performance of **OFFICE PRIDE®** businesses other than the BUSINESS.

6.2. FOR BUSINESS USE ONLY. You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to utilize Confidential Information disclosed to you in operating the BUSINESS during the term of this Agreement, and that the use or duplication of any Confidential Information in any other business would constitute an unfair method of competition. You further acknowledge and agree that Confidential Information is proprietary, includes our trade secrets and is disclosed to you solely on the condition that you agree, and you do hereby agree, that you:

6.2.1. Will not use Confidential Information in any other business or capacity;

6.2.2. Will maintain the absolute confidentiality of Confidential Information during and after the term of this Agreement;

6.2.3. Will not make unauthorized copies of any portion of Confidential Information disclosed via electronic medium or in written or other tangible form; and

6.2.4. Will adopt and implement all reasonable procedures that we prescribe from time to time to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restrictions on such disclosure to BUSINESS personnel and others.

6.3. IDEAS, CONCEPTS, TECHNIQUES OR MATERIALS. All ideas, concepts, techniques or materials relating to an **OFFICE PRIDE®** business, whether or not constituting protectable intellectual property, and whether created by or on behalf of you or your owners, will be promptly disclosed to us, deemed to be our sole and exclusive property and part of the System and deemed to be works made for hire for us. You and your owners agree to sign whatever assignment or other documents we may request from time to time to evidence our ownership or to assist us in securing intellectual property rights in such ideas, concepts, techniques or materials.

6.4. CUSTOMER CONTRACTS AND CUSTOMER LISTS. While your customer contracts and customer lists are part of the System and as such are protected under the terms of this Article 6, you acknowledge and agree that, upon termination or expiration of this Agreement, at our option, all customer contracts and customer lists become solely our property upon our giving notice to you. You bear the entire responsibility for fulfilling your obligations to your customers as stated in your customer contracts.

7. EXCLUSIVE RELATIONSHIP.

7.1. EXCLUSIVE DEALINGS. You acknowledge and agree that we would be unable to protect Confidential Information against unauthorized use or disclosure or to encourage a free exchange of ideas and information among **OFFICE PRIDE®** businesses if franchised owners of **OFFICE PRIDE®** businesses were permitted to hold interests in or perform services for a Competitive Business (defined below). You also acknowledge that we have granted the Franchise to you in consideration of and reliance upon your agreement to deal exclusively with us. You therefore agree that, during the term of this Agreement, neither you nor any of your owners will:

7.1.1. Have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business;

7.1.2. Perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business; or

7.1.3. Divert or attempt to divert any commercial cleaning business or customer to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks.

7.2. COMPETITIVE BUSINESS. The term “Competitive Business” as used in this Agreement means any commercial cleaning or similar business (other than an **OFFICE PRIDE®** business operated under a franchise agreement with us).

8. OPERATING PROCEDURES.

8.1. COMPLIANCE WITH OPERATING PROCEDURES. You acknowledge and agree that your operation and maintenance of the BUSINESS in accordance with the required standards and specifications outlined in the Methods of Operations (defined in Article 4.5.) is essential to preserve the goodwill of the Marks and all **OFFICE PRIDE®** businesses. Therefore, at all times during the term of

this Agreement, you agree to operate and maintain the BUSINESS in accordance with the required standards and specifications outlined in the Methods of Operations, as we periodically modify and supplement them during the term of this Agreement. Failure to comply with or follow the required standards and specifications outlined in the Methods of Operations constitutes a breach of this Agreement and may provide us with the right to terminate this Agreement. The Methods of Operations, for the protection of brand and system standards, may outline required standards and/or specifications for any one or more of the following:

- 8.1.1. Replacement of obsolete or worn out equipment;
- 8.1.2. Types, models and brands of required equipment, materials and supplies;
- 8.1.3. Required or authorized (and prohibited and unauthorized) services, ancillary goods and categories for same;
- 8.1.4. Designated or approved suppliers (which may be limited to or include us) of ancillary goods, services, equipment, materials and supplies;
- 8.1.5. Terms and conditions of the sale and delivery of, and terms and methods of payment for, ancillary goods, services, including materials and supplies that you obtain from us, our affiliates or others;
- 8.1.6. Sales, marketing, advertising and promotional programs and materials and media used in such programs;
- 8.1.7. Use of the Marks;
- 8.1.8. Days and hours of operation of the BUSINESS;
- 8.1.9. Participation in market research and testing and services and ancillary goods development programs;
- 8.1.10. Acceptance of credit cards, other payment systems and check verification services;
- 8.1.11. Bookkeeping, accounting, data processing and record keeping systems and forms; methods, formats, content and frequency of reports to us of sales, revenue, financial performance and condition; and furnishing tax returns and other operating and financial information to us;
- 8.1.12. Types, amounts, terms and conditions of insurance coverage required to be carried for the BUSINESS and standards for underwriters of policies providing required insurance coverage as outlined in the Methods of Operations; **our protection and rights under such policies as an additional named insured**; required or impermissible insurance contract provisions; assignment of policy rights to us; periodic verification of insurance coverage that must be furnished to us; our right to defend claims; and similar matters relating to insured and uninsured claims;
- 8.1.13. Complying with applicable laws; obtaining required licenses and permits; adhering to good business practices; observing high standards of honesty, integrity, fair dealing and ethical business conduct in all dealings with customers, suppliers and us; and notifying us if any action, suit or proceeding is commenced against you or the BUSINESS; and

8.1.14. Regulation of such other aspects of the operation and maintenance of the BUSINESS that we determine from time to time to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and **OFFICE PRIDE®** businesses.

8.1.15. Use of our website, the Internet and other online communications. We may require you, at your expense, to participate in our website on the Internet, our intranet system or extranet system or other online communications as we may require. We have the right to determine the content and use of our website and intranet or extranet system and will establish the rules under which franchisees may or must participate. You may not separately register any domain name containing any of the **OFFICE PRIDE®** Marks, participate in any website that markets goods and services similar to your **OFFICE PRIDE®** BUSINESS, or operate a website for your BUSINESS that has not been approved by us in writing. We will list your **OFFICE PRIDE®** BUSINESS on our primary website. We retain all rights relating to our website and intranet system and may alter or terminate our website, extranet system or intranet system. Your general conduct on our website and intranet and extranet systems or other online communications and specifically your use of the **OFFICE PRIDE®** Marks or any advertising is subject to the provisions of this Agreement. In particular, you shall not either directly or indirectly create, develop, maintain, and/or use your own website, blog, vlog, social network, or other on-line venue or communication on the Internet using any of the **OFFICE PRIDE®** Marks, or otherwise use any of the **OFFICE PRIDE®** Marks on the Internet in any other manner including for search engine advertising purposes without our prior written consent and consistent with our then-current policies, standards and requirements. You acknowledge that certain information related to your participation in our website or intranet system may be considered confidential, including access codes and identification codes. Your right to participate in our website and intranet or extranet system, or otherwise use the **OFFICE PRIDE®** Marks on the Internet or other online communications, will terminate when this Agreement expires or terminates.

8.2. MODIFICATION OF OPERATING PROCEDURES. We may periodically modify Methods of Operations, as we determine, and any such modifications may obligate you to invest additional capital in the BUSINESS (“Capital Additions”) and/or incur higher operating costs; provided, however, that such modifications will not alter your fundamental status and rights under this Agreement. We will not obligate you to make any Capital Additions when such investment cannot, in our reasonable judgment, be amortized during the remaining term of this Agreement, unless we agree to extend the term of this Agreement so that such additional investment, in our reasonable judgment, may be amortized, or unless such investment is necessary in order to comply with applicable laws.

8.3 CRISIS SITUATIONS. In the interest of protecting the **OFFICE PRIDE®** brand, Marks and the System, we have the sole and absolute right to determine a response, including what steps will be taken and what communications will be made, in instances of a Crisis, and you agree to comply with and implement our directions in response to a Crisis. “Crisis” means an event or development that negatively impacts the **OFFICE PRIDE®** brand in such a way that we determine may cause substantial harm or injury to the Marks, System, reputation or image.

9. MARKETING.

9.1. BY US. Recognizing the value of advertising and marketing to the goodwill and public image of **OFFICE PRIDE®** businesses, we have established an advertising fund (the “Advertising Fund”) for such advertising, marketing and public relations programs and materials as we deem necessary or appropriate. You agree to contribute to the Advertising Fund in an amount equal to 1% of Revenue Sales Collected (the “Ad Fund Fee”), payable in the same manner as the Royalty due hereunder. We may increase the Ad Fund Fee up to 2% of Revenue Sales Collected, although we will not increase the percentage by more than .5% in any given calendar year. We will direct all programs financed by the

Advertising Fund and will have complete control over the creative concepts materials and endorsements used therein and the geographic market and media placement and allocation. You agree that the Advertising Fund may be used to pay the costs of recruiting of other **OFFICE PRIDE®** franchisees (using up to thirty (30%) percent of the Advertising Fund), pay personnel we hire to develop advertising and advertising programs, pay for preparing and producing video, audio and written advertising materials, administering regional and multiregional advertising programs, including, without limitation, purchasing direct mail and other media advertising and employing advertising, promotion and marketing agencies to assist therewith and supporting public relations, market research and other advertising promotion and marketing activities and amounts expended as per Article 9.2. below. The Advertising Fund will furnish you with samples of advertising, marketing formats, promotional formats and other materials at no additional cost to you when we deem appropriate. Multiple copies of such materials will be furnished to you at our direct cost of producing them plus any related shipping, handling and storage charges. Additionally, any excess ad fund money may be used to generate marketing materials that franchisees may use, to supplement the cost of a franchise owners' retreat or convention and to cover the cost of other brand initiatives.

9.2. ACCOUNTING. The Advertising Fund will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for such reasonable salaries and benefits, administrative costs, travel expenses and overhead as we may incur in activities related to the administration of the Advertising Fund and its programs including, without limitation, conducting market research, preparing advertising promotion and marketing materials, and collecting and accounting for contributions to the Advertising Fund. We may spend, on behalf of the Advertising Fund, in any fiscal year, an amount that is greater or less than the aggregate contribution of all **OFFICE PRIDE®** businesses to the Advertising Fund in that year and the Advertising Fund may borrow from us or others to cover deficits or invest any surplus for future use. All interest earned on moneys contributed to the Advertising Fund will be used to pay advertising costs before other assets of the Advertising Fund are expended. We will prepare an annual statement of moneys collected and costs incurred by the Advertising Fund and furnish the statement to you upon written request. We have the right to cause the Advertising Fund to be incorporated or operated through a separate entity at such time as we deem appropriate and such successor entity will have all of the rights and duties specified herein.

9.3. PROPORTIONALITY. You acknowledge that the Advertising Fund is intended to maximize recognition of the Marks and patronage of **OFFICE PRIDE®** businesses. Although we will endeavor to utilize the Advertising Fund to develop advertising and marketing materials and programs and to place advertising that will benefit all **OFFICE PRIDE®** businesses, we undertake no obligation to ensure that expenditures by the Advertising Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Advertising Fund by **OFFICE PRIDE®** businesses operating in that geographic area. Nor are we under any obligation to ensure that any **OFFICE PRIDE®** business will benefit directly or in proportion to its Ad Fund Fees paid to the Advertising Fund from the development of advertising and marketing materials or the placement of advertising. Except as expressly provided in this Article, we assume no direct or indirect liability or obligation to you with respect to collecting amounts due to, or maintaining, directing or administering the Advertising Fund.

9.4. DEFERRALS OR REDUCTIONS. We reserve the right to defer or reduce contributions of an **OFFICE PRIDE®** business franchisee and, upon thirty (30) days' prior written notice to you, to reduce or suspend your payment of Ad Fund Fees to and suspend operations of the Advertising Fund for one or more periods of any length and to terminate (and if terminated to reinstate) the Advertising Fund.

If the Advertising Fund is terminated, all unspent moneys on the date of termination will be distributed to our franchisees in proportion to their respective contributions to the Advertising Fund during the

preceding three (3) month period, and amounts required to be paid as per Article 9.1. above shall be used by you for your local marketing and advertising.

9.5. NOTHING BUT THE TRUTH. You agree that any advertising, promotion and marketing you conduct will be completely clear and factual and not misleading and conform to the highest standards of ethical marketing and the promotion policies which we prescribe from time to time. Samples of all advertising, promotional and marketing materials which we have not prepared or previously approved must be submitted to us for approval before you use them. If you do not receive written disapproval within fifteen (15) days after our receipt of such materials, we will be deemed to have given the required approval. You may not use any advertising or promotional materials that we have disapproved. We own the copyrights to anything so submitted, whether approved by us or not.

9.6 LOCAL MARKETING. You must use your best efforts to promote and advertise the your **OFFICE PRIDE® BUSINESS** and participate in any local marketing and promotional programs we establish from time to time. In addition to the payment of the Advertising Fund Fee, you must spend each month the lower of 2% of Revenue Sales Collected for the prior month or \$500 (collectively, the “Minimum Local Marketing Spend”). Upon our request, you must provide us with itemized documentation and proof of such expenditures. If you fail to make the required expenditures, we have the right to collect the deficiency and spend it as we determine appropriate. We reserve the right to require you to use one or more designated vendors in connection with your local marketing and promotional activities. In addition, we reserve the right to collect (on a monthly or quarterly basis, as we may from time to time designate) the Minimum Local Marketing Amounts and in return provide to you local promotional, marketing and advertising materials and related services to promote the BUSINESS.

We may designate local advertising markets and advertising cooperatives and/or local marketing groups for such markets (collectively, “LMGs”), and if designated, you must participate in and contribute to the LMG’s advertising and marketing programs in your market. Your contribution to the LMG will count towards any required Minimum Local Marketing Spend but any required Minimum Local Marketing Spending will not represent a limit on your LMG contributions.

10. RECORDS, REPORTS AND FINANCIAL STATEMENTS.

10.1. BOOKKEEPING. You agree to establish and maintain at your own expense a bookkeeping, accounting and record keeping system conforming to the requirements and formats we prescribe from time to time. We may require you to use approved computer hardware and software in order to maintain certain sales data and other information. We also may require you to use a designated source for your bookkeeping, accounting, and/or recordkeeping. You agree to furnish to us on such forms that we prescribe from time to time, without limitation, as follows:

10.1.1. Within five (5) days after their filing, copies of all signed sales tax returns and signed withholding tax returns for the BUSINESS and, as soon as you have received them, copies of the canceled checks for the required sales taxes and withholding taxes;

10.1.2. Within fifteen (15) days after the end of each calendar month during your first year of operation (and within fifteen (15) days after the end of each quarter year thereafter), a profit and loss statement for the BUSINESS for the immediately preceding calendar month (or quarter year) and a year-to-date balance sheet as of the end of such month and your lead/bid list in our approved format via facsimile transmission;

10.1.3. Within ninety (90) days after the end of the BUSINESS's fiscal year, reviewed annual profit and loss and source and use of funds statements and a reviewed balance sheet for the BUSINESS as of the end of such fiscal year signed by you or your principal operating officer or operating partner; and

10.1.4. Within ten (10) days after our request, exact copies of federal and state income and other tax returns and such other forms, records, books and other information we may periodically require.

10.2. VERIFICATION. You agree to verify and sign each report and financial statement in the manner we prescribe. We have the right to disclose data derived from such reports without identifying you. We also have the right to require you to have reviewed or audited financial statements prepared on an annual basis.

11. INSPECTIONS AND AUDITS.

11.1. OUR RIGHT TO INSPECT THE BUSINESS. To determine whether you and the BUSINESS are complying with this Agreement and the required standards and specifications outlined in the Methods of Operations, we and our designated agents have the right at any time during regular business hours, and without prior notice to you, to:

11.1.1. Inspect your operation of the BUSINESS;

11.1.2. Observe, photograph and videotape the operations of the BUSINESS for such consecutive or intermittent periods as we deem necessary;

11.1.3. Remove samples of any ancillary goods, materials or supplies for testing and analysis;

11.1.4. Interview personnel (including inspections of professional clothing and uniforms) and customers of the BUSINESS; and

11.1.5. Inspect and copy any books, records, customer contracts and other documents relating to your operation of the BUSINESS.

Any evaluation or inspection we conduct is not intended to exercise control over your day-to-day operation of your BUSINESS or to assume any responsibility for your obligations under this Agreement.

11.2. COOPERATION. You agree to cooperate with us fully in connection with any such inspections, observations, photographing, videotaping, product removal and interviews. You agree to present to your customers such evaluation forms that we periodically prescribe and to participate and/or request your customers to participate in any surveys performed by us or on our behalf.

11.3. OUR RIGHT TO AUDIT. We have the right at any time during regular business hours, and without prior notice to you, to inspect and audit, or cause to be inspected and audited, your BUSINESS, bookkeeping and accounting records, sales and income tax records and returns and other records. You agree to cooperate fully with our representatives and independent accountants we hire to conduct any such inspection or audit. In the event such inspection or audit is made necessary by your failure to furnish reports, supporting records or other information as herein required, or to furnish such items on a timely basis, you agree to reimburse us for the reasonable cost of such inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board and compensation of our employees. The foregoing remedies are in addition to our other remedies and rights under this Agreement and applicable law.

12. TRANSFER.

12.1. BY US. This Agreement is fully transferable by us without obtaining your consent and will inure to the benefit of any transferee or other legal successor to our interests herein, including, without limitation, any **OFFICE PRIDE®** area developer.

12.2. BY YOU. You understand and acknowledge that the rights and duties created by this Agreement are personal to you and to your owners and that we have granted the Franchise to you in reliance upon our perceptions of your owners' individual or collective character, skill, aptitude, attitude, business ability, acumen and financial capacity. Accordingly, neither this Agreement (or any interest therein) nor any ownership or other interest in you or the BUSINESS or all or substantially all of the BUSINESS assets may be transferred without our prior written approval. Any transfer without such approval constitutes a breach of this Agreement and is void and of no effect (see Article 12.13. below). As used in this Agreement, the term "transfer" includes your owners' voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition of any interest in:

12.2.1. This Agreement;

12.2.2. You;

12.2.3. The BUSINESS (defined in Article 17.21.); or

12.2.4. All or substantially all of the BUSINESS assets.

12.3. ASSIGNMENT. An assignment, sale, gift or other disposition includes the following events:

12.3.1. Transfer of ownership of capital stock or a partnership interest;

12.3.2. Merger or consolidation or issuance of additional securities or interests representing an ownership interest in you;

12.3.3. Any issuance or sale of your stock or any security convertible to your stock;

12.3.4. Transfer of an interest in you, this Agreement or the BUSINESS in a divorce, insolvency or corporate or partnership dissolution proceeding or otherwise by operation of law;

12.3.5. Transfer of an interest in you, this Agreement, the BUSINESS or all or substantially all of the BUSINESS assets, in the event of your death or the death of one of your owners, by will, declaration of or transfer in trust or under the laws of intestate succession; or

12.3.6. Pledge of this Agreement (to someone other than us) or of an ownership interest in you as security, foreclosure upon the BUSINESS or your transfer, surrender or loss of possession, control or management of the BUSINESS.

12.4. CONDITIONS FOR APPROVAL OF TRANSFER. If you (and your owners) are in full compliance with this Agreement, then subject to the other provisions of this Article 12, we will approve a transfer that meets all the applicable requirements of this Article. The proposed transferee and its direct and indirect owners must be individuals of good moral character and otherwise meet our then applicable standards for **OFFICE PRIDE®** business franchisees. Additionally, all of the following conditions must be met prior to or concurrently with the effective date of the transfer:

12.4.1. The transferee has the moral character, skill, aptitude, attitude, résumé, references, credentials, business ability, acumen and financial capacity to operate the BUSINESS;

12.4.2. You have paid all Royalties, Ad Fund Fees, amounts owed for purchases from us and all other amounts owed to us or to third party creditors and have submitted all required reports and statements;

12.4.3. The transferee (or its managing shareholder or partner) have agreed to complete training to our satisfaction;

12.4.4. The transferee signs our then-current form of franchise agreement;

12.4.5. You or the transferee pay us a transfer fee in the amount of \$6,000. If the proposed transfer is among your owners, Article 12.4.5. will not apply, although you are required to reimburse us for any reasonable legal and administrative costs we incur in connection with the transfer;

12.4.6. You and your owners have executed a general release, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees and agents;

12.4.7. We have reviewed the material terms and conditions of such transfer and determined that the price and terms of payment will not adversely affect the transferee's operation of the BUSINESS (but make no representation of any kind to anyone that such is the case);

12.4.8. If you or your owners finance any part of the sales price of the transferred interest, you and/or your owners have agreed that all of the transferee's obligations as per any promissory notes, agreements or security interests that you or your owners have reserved in the BUSINESS are subordinate to the transferee's obligation to pay Royalties, Ad Fund Fees and other amounts due to us and otherwise to comply with this Agreement;

12.4.9. You and your transferring owners (and you and your owners' spouses and children) have executed a noncompetition covenant in favor of us and the transferee agreeing to be bound, commencing on the effective date of the transfer, by the restrictions contained in Article 15.4. hereof; and

12.4.10. You and your transferring owners have agreed that you and they will not directly or indirectly at any time or in any manner (except with respect to other **OFFICE PRIDE®** businesses you own and operate) identify yourself or themselves or any business as a current or former **OFFICE PRIDE®** business, or as one of our licensees or franchisees, use any Marks, any colorable imitation or other indicia of an **OFFICE PRIDE®** business in any manner or for any purpose or utilize for any purpose any trade name, trademark or service mark or other commercial symbol that suggests or indicates a connection or association with us.

12.5. TRANSFER UPON YOUR DEATH OR DISABILITY. Upon your death or permanent disability or, if you are a corporation or partnership, the death or permanent disability of the owner of a controlling interest in you, your or such owner's executor, administrator, conservator, guardian or other personal representative must transfer your interest in this Agreement or such owner's interest in you to a third party. Such disposition of this Agreement or the interest in you, including, without limitation, transfer by bequest or inheritance) must be completed within a reasonable time, not to exceed six (6) months from the date of death or permanent disability, and will be subject to all of the terms and conditions applicable to transfers contained in this Article. A failure to transfer your interest in this Agreement or the ownership interest in you within this period of time constitutes a breach of this Agreement. For purposes hereof, the term "permanent disability" means a mental or physical disability,

impairment or condition that is reasonably expected to prevent or actually does prevent you or an owner of a controlling interest in you from managing and operating the BUSINESS for a period of three (3) months from the onset of such disability, impairment or condition.

12.6. OPERATION UPON YOUR DEATH OR DISABILITY. If, upon the death or permanent disability of the owner of a controlling interest in you, the BUSINESS is not being managed by a trained manager, your or such owner's executor, administrator, conservator, guardian or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or permanent disability, appoint a manager to operate the BUSINESS. Such manager will be required to complete training at your expense. Pending the appointment of a manager as provided above or if, in our judgment, the BUSINESS is not being managed properly any time after the death or permanent disability of the owner of a controlling interest in you, we have the right, but not the obligation, to appoint a manager for the BUSINESS. All funds from the operation of the BUSINESS during the management by our appointed manager will be kept in a separate account, and all expenses of the BUSINESS, including compensation, other costs and travel and living expenses of our manager, will be charged to this account. We also have the right to charge a reasonable management fee (in addition to the Royalty and Ad Fund Fees payable under this Agreement) during the period that our appointed manager manages the BUSINESS. Operation of the BUSINESS during any such period will be on your behalf, provided that we only have a duty to utilize reasonable efforts in doing so and will not be liable to you or your owners for any debts, losses or obligations incurred by the BUSINESS or to any of your creditors for any goods, services, materials or supplies the BUSINESS purchases during any period it is managed by our appointed manager.

12.7. EFFECT OF CONSENT TO TRANSFER. Our consent to a transfer of this Agreement and the BUSINESS or any interest in you does not constitute a representation as to the fairness of the terms of any contract between you and the transferee, a guarantee of the prospects of success of the BUSINESS or transferee or a waiver of any claims we may have against you (or your owners) or of our right to demand the transferee's exact compliance with any of the terms or conditions of this Agreement.

12.8. BONA FIDE OFFERS. If you (or any of your owners) at any time determine to sell, assign or transfer for consideration an interest in this Agreement and the BUSINESS or an ownership interest in you, you (or such owner) agree to obtain a *bona fide*, executed written offer and earnest money deposit (in the amount of five (5%) percent or more of the offering price) from a responsible and fully disclosed offeror (including lists of the owners of record and beneficially of any corporate offeror and all general and limited partners of any partnership offeror and, in the case of a publicly held corporation or limited partnership, copies of the most current annual and quarterly reports and Form 10K) and immediately submit to us a true and complete copy of such offer, which includes details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, *bona fide* offer, the proposed purchase price must be denominated in a dollar amount. The offer must apply only to an interest in you or in this Agreement and the BUSINESS and may not include an offer to purchase any of your (or your owners') other property or rights. However, if the offeror proposes to buy any other property or rights from you (or your owners) under a separate, contemporaneous offer, such separate, contemporaneous offer must be disclosed to us, and the price and terms of purchase offered to you (or your owners) for the interest in you or in this Agreement and the BUSINESS must reflect the *bona fide* price offered therefore and not reflect any value for any other property or rights.

12.9. OUR RIGHT OF FIRST REFUSAL. We have the right, exercisable by written notice delivered to you or your selling owners within sixty (60) days from the date of the delivery to us of both an exact copy of such *bona fide* offer and all other information we request, to purchase such interest for the price and on the terms and conditions contained in such *bona fide* offer, provided that:

12.9.1. We may substitute cash for any form of payment proposed in such offer;

12.9.2. Our credit will be deemed equal to the credit of any proposed purchaser;

12.9.3. We will have not less than sixty (60) days after giving notice of our election to purchase to prepare for closing; and

12.9.4. We are entitled to receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the capital stock of an incorporated business, as applicable, including, without limitation, representations and warranties as to:

12.9.4.1. Ownership and condition of and title to stock or other forms of ownership interest and/or assets;

12.9.4.2. Liens and encumbrances relating to the stock or other ownership interest and/or assets; and

12.9.4.3. Validity of contracts and the liabilities, contingent or otherwise, of the corporation whose stock is being purchased.

12.10. EXERCISE. If we exercise our right of first refusal, you and your selling owner(s) agree that, for a period of twenty-four (24) months commencing on the date of the closing, you and they will be bound by the noncompetition covenant contained in Article 15.4. hereof. You and your selling owner(s) further agree that you and they will, during this same time period, abide by the restrictions of Article 12.4.10. of this Agreement.

12.11. NON-EXERCISE. If we do not exercise our right of first refusal, you or your owners may complete the sale to such purchaser as per and on the exact terms of such *bona fide* offer, subject to our approval of the transfer as provided in Articles 12.2., 12.3. and 12.4., provided that, if the sale to such purchaser is not completed within one hundred twenty (120) days after delivery of such *bona fide* offer to us, or if there is a material change in the terms of the sale (which you agree promptly to communicate to us), we will have an additional right of first refusal during the thirty (30) day period following either the expiration of such one hundred twenty (120) day period or notice to us of the material changes) in the terms of the sale, either on the terms originally offered or the modified terms, at our option.

12.12. TRANSFERS CONTRARY TO THIS AGREEMENT. If you make a transfer as such term is defined above which is void, you acknowledge and agree that we will suffer damages as a result, which are not easily ascertained. In addition to any award of damages or equitable relief granted to us by any court or arbitrator, you shall also pay us a sum of money equal to one hundred twenty (120) times the average amount of Royalties you paid to us during the last 12 months, which is due and payable to us immediately upon the date of the transfer. Interest shall accrue at the highest lawful rate on such sum from the date due until the date paid.

13. EXPIRATION OF THIS AGREEMENT.

13.1. YOUR RIGHT TO ACQUIRE A RENEWAL FRANCHISE. Upon expiration of the term of this Agreement, if you (and each of your owners) have substantially complied with this Agreement during its term, subject to the terms and conditions in this Article 13, you will have the right to acquire a renewal franchise to operate the BUSINESS as an **OFFICE PRIDE®** business on the terms and conditions of the franchise agreement we are then using in granting renewal franchises for **OFFICE PRIDE®** businesses, provided you pay us a successor franchise fee of Two Thousand (\$2,000) Dollars (increased from time to

time to reflect increases in the Metropolitan Area Consumer Index for Urban Consumers All Items (1982-1984 = 100) from the date of this Agreement, as published by the U.S. department of Labor or in a successor index), and provided that you add or replace equipment and uniforms and otherwise modify the BUSINESS as we require to bring it into compliance with specifications and standards then applicable for OFFICE PRIDE® businesses.

13.2. GRANT OF A RENEWAL FRANCHISE. You agree to give us written notice of your election to acquire a successor franchise during the last year of the term of this Agreement. We agree to give you written notice (“Our Notice”), not more than one hundred eighty (180) days after we receive your notice, of our decision, in accordance with Article 13.1:

13.2.1. To grant you a ten (10) year successor franchise;

13.2.2. To grant you a successor franchise, which may be granted for ten (10) years or for a shorter period, on the condition that (a) deficiencies of the BUSINESS, or in your operation of the BUSINESS, are corrected or (b) that certain engagement metrics or other similar requirements are met; or

13.2.3. Not to grant you a successor franchise based on our determination that you and your owners have not substantially complied with this Agreement during its term.

13.3. OUR NOTICE. If applicable, Our Notice will:

13.3.1. Describe the improvements or modifications required to bring the BUSINESS into compliance with then applicable specifications and standards for OFFICE PRIDE® businesses; and

13.3.2. State the actions you must take to correct operating deficiencies and the time period in which such deficiencies must be corrected.

13.4. NO GRANT. If we elect not to grant a successor franchise, Our Notice will describe the reasons for our decision. Your right to acquire a successor franchise is subject to your continued compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in Our Notice.

13.5. 90 DAY CURE. If Our Notice states that you must cure certain deficiencies of the BUSINESS or its operation as a condition to the grant of a successor franchise, we will give you written notice of a decision not to grant a successor franchise, based upon your failure to cure such deficiencies, not less than ninety (90) days prior to the expiration of this Agreement, provided, however, that we will not be required to give you such notice if we decide not to grant you a successor franchise due to your breach of this Agreement during the one hundred eighty (180) day period prior to its expiration. If we fail to give you:

13.5.1. Notice of deficiencies in the BUSINESS, or in your operation of the BUSINESS, within one hundred eighty (180) days after we receive your timely election to acquire a successor franchise; or

13.5.2. Notice of our decision not to grant a successor franchise at least ninety (90) days prior to the expiration of this Agreement, if such notice is required, we may extend the term of this Agreement for such period of time as is necessary in order to provide you with either reasonable time to correct deficiencies or the ninety (90) day notice of our refusal to grant a successor franchise required hereunder.

13.6. AGREEMENTS/RELEASES/TRAINING. If you satisfy all of the other conditions to the grant of a successor franchise, you and your owners agree to execute the form of franchise agreement and any ancillary agreements we are then customarily using in connection with the grant of successor

franchises for **OFFICE PRIDE®** businesses. You and your owners further agree to execute general releases, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees, agents, successors and assigns. Failure by you or your owners to sign such agreements and releases and deliver them to us for acceptance and execution within one hundred eighty (180) days after their delivery to you will be deemed an election not to acquire a successor franchise. Finally, you (and any manager or operating principal we designate) must complete any refresher training we require and, if applicable, pay us a fee for providing the refresher training.

14. TERMINATION OF AGREEMENT.

14.1. BY YOU. If you and your owners are in compliance with this Agreement and we materially fail to comply with this Agreement and do not correct such failure within ninety (90) days after written notice of such material failure is delivered to us, you may terminate this Agreement effective upon delivery to us of written notice of termination. Your termination of this Agreement for any other reason or without such notice will be deemed a termination without cause.

14.2. BY US. We have the right to terminate this Agreement, effective upon delivery of written notice of termination to you, if:

14.2.1. Your managing shareholder or partner fail to successfully complete initial training to our satisfaction, in which case, we may refund \$5,000 of the initial franchise fee to you if you request in writing within thirty (30) days of the termination;

14.2.2. You fail to begin operating the BUSINESS within ninety (90) days after the execution of this Agreement;

14.2.3. You abandon or fail actively to operate the BUSINESS for three (3) or more consecutive business days, unless the BUSINESS has been closed for a purpose we have approved or because of a major and significant casualty or by reason of a lawful government order;

14.2.4. You surrender or transfer control of the operation of the BUSINESS without our prior written consent;

14.2.5. You (or any of your owners) have made any material misrepresentation or omission in connection with your purchase or operation of the Franchise;

14.2.6. You (or any of your owners) are or have been convicted by a trial court of, or plead or have pleaded no contest to, a felony;

14.2.7. You (or any of your owners) engage in any dishonest or unethical conduct which may adversely affect the reputation of the BUSINESS or another **OFFICE PRIDE®** business or the goodwill associated with the Marks;

14.2.8. You (or any of your owners) make an unauthorized assignment of this Agreement or of an ownership interest in you or the BUSINESS;

14.2.9. In the event of your death or permanent disability or the death or permanent disability of the owner of a controlling interest in you, this Agreement or such owner's interest in you is not assigned as herein required;

14.2.10. You (or any of your owners) make any unauthorized use or disclosure of any Confidential Information or use, duplicate or disclose any portion of the Methods of Operations in violation of this Agreement;

14.2.11. You violate any health, safety or sanitation law, ordinance or regulation and do not immediately begin to cure the noncompliance or violation, and correct such noncompliance or violation within twenty-four (24) hours after written notice is delivered to you;

14.2.12. You make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee or liquidator of all or the substantial part of your property; the BUSINESS is attached, seized, subjected to a writ or distress warrant or levied upon, unless such attachment, seizure, writ, warrant or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee or liquidator of you or the BUSINESS is not vacated within thirty (30) days following the entry of such order;

14.2.13. You fail to pay when due any federal or state income, service, sales or other taxes due on the operations of the BUSINESS, unless you are, in good faith, legally contesting your liability for such taxes;

14.2.14. You fail to comply (including your failure to provide proof of compliance) with the requirements with respect to the types, amounts, terms and conditions of insurance coverage required to be carried for the BUSINESS and standards for underwriters of policies providing required insurance coverage as outlined in the Methods of Operations and do not correct such failure within twenty-four (24) hours after written notice is delivered to you;

14.2.15. You (or any of your owners) fail on three (3) or more separate occasions within any period of twelve (12) consecutive months to submit when due reports or other data, information or supporting records, to pay when due any amounts due to us or otherwise to comply with this Agreement, whether or not such failures to comply were corrected after written notice of such failure was delivered to you;

14.2.16. You fail to make payments of any amounts due to us and do not correct such failure within seven (7) days after written notice of such failure is delivered to you; or

14.2.17. You (or any of your owners) fail to comply with any other provision of this Agreement or any required standard or specifications outlined in the Methods of Operations and do not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to you

14.3. CUSTOMER RESPONSIBILITY. In the event of the termination or expiration of this Agreement, all customer contracts become, at our option, solely our property upon our giving notice to you. In the event of an assignment as outlined in Section 12, all customer contracts become solely the property of the transferee. Notwithstanding the foregoing, you will remain responsible for any damages or claims asserted by a customer as a result of your termination of this Agreement.

14.4. SUSPENSION OF PAYMENTS. In the event of a default of this Agreement, we may suspend distribution of monies collected on your behalf until you have cured the default and are following the required portions of the Methods of Operations in full.

15. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT.

15.1. PAYMENT OF AMOUNTS OWED TO US. You agree to pay us within fifteen (15) days after the effective date of termination or expiration of this Agreement, or on such later date that the amounts due to us are determined, such Royalties, Ad Fund Fees, amounts owed for purchases from us, interest due on any of the foregoing and all other amounts owed to us which are then unpaid.

15.2. MARKS. Upon the termination or expiration of this Agreement:

15.2.1. You may not directly or indirectly at any time or in any manner (except with respect to other **OFFICE PRIDE®** businesses you own and operate) identify yourself or any business as a current or former **OFFICE PRIDE®** business, or as one of our licensees or franchisees, use any Marks, any colorable imitation or other indicia of an **OFFICE PRIDE®** business in any manner or for any purpose or utilize for any purpose any trade name, trademark or service mark or other commercial symbol that indicates or suggests a connection or association with us;

15.2.2. You agree to take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Marks;

15.2.3. If we do not exercise our option to purchase the BUSINESS as per Article 15.6., you agree to deliver to us within thirty (30) days after the Notification Date (as defined in Article 15.6.) all signs, sign-faces, sign-cabinets, marketing materials, forms, packaging and other materials containing any Marks or otherwise identifying or relating to an **OFFICE PRIDE®** business and allow us, without liability to you or third parties, to remove all such items from the BUSINESS;

15.2.4. If we do not exercise our option to purchase the BUSINESS as per Article 15.6., you agree that, after the Notification Date, you will promptly and at your own expense make such alterations we specify to distinguish the BUSINESS clearly from its former appearance and from other **OFFICE PRIDE®** businesses so as to prevent confusion therewith by the public;

15.2.5. If we do not exercise our option to purchase the BUSINESS as per Article 15.6., you agree that, after the Notification Date, you will notify the telephone company and all telephone directory publishers of the termination or expiration of your right to use any telephone, telecopy or other numbers and any regular, classified or other telephone directory listings associated with any Marks, authorize the transfer of such numbers and directory listings to us or at our direction and/or instruct the telephone company to forward all calls made to your telephone numbers to numbers we specify; and

15.2.6. You agree to furnish us, within thirty (30) days after the Notification Date, with evidence satisfactory to us of your compliance with the foregoing obligations.

15.3. CONFIDENTIAL INFORMATION. You agree that, upon termination or expiration of this Agreement, you will immediately cease to use any of our Confidential Information in any business or otherwise and return to us all copies of the Methods of Operations and any other confidential materials, including, without limitation, computer software and any mechanisms (electronic key) used to access the software, that we have allowed you to use.

15.4. COVENANT NOT TO COMPETE. Upon:

15.4.1. Our termination of this Agreement in accordance with its terms and conditions;

15.4.2. Your termination of this Agreement without cause, or

15.4.3. Expiration of this Agreement (if we refuse to grant, or you elect not to acquire, a successor franchise), you and your owners agree that, for a period of twenty four (24) months (the “Restriction Period”) commencing on the effective date of termination or expiration or the date on which a person restricted by this Article begins to comply with this Article, whichever is later, neither you nor any of your owners will have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent or in any other capacity in any Competitive Business (as defined in Article 7.2. above) operating within (i) the Territory, or with a 25 mile radius from the outer boundary of the Territory.

15.5. COMMENCEMENT BY ORDER. If any person restricted by this Article refuses voluntarily to comply with the foregoing obligations, the Restriction Period will commence upon the entry of an order of an arbitrator, church panel, or court if necessary, enforcing this provision. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Article will not deprive you of your personal goodwill or ability to earn a living.

15.6. OUR RIGHT TO PURCHASE THE BUSINESS.

15.6.1. *Exercise of Option.* Upon the termination or expiration of this Agreement, we have the option, exercisable by giving written notice to you within sixty (60) days from the date of such termination or expiration, to purchase the BUSINESS from you.

(The date on which we notify you whether or not we are exercising our option is referred to in this Agreement as the “Notification Date.”) We have the unrestricted right to assign this option to purchase the BUSINESS. We will be entitled to all customary warranties and representations in connection with our asset purchase, including, without limitation, representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; and liabilities affecting the assets, contingent or otherwise.

15.6.2. *Purchase Price.* The purchase price for the BUSINESS will be its fair market value, determined in a manner consistent with reasonable depreciation of the BUSINESS’s equipment, signs, inventory, materials and supplies; provided that the BUSINESS will be valued as an independent business and its value will not include any value for:

15.6.2.1. The Franchise or any rights granted by this Agreement;

15.6.2.2. The Marks; or

15.6.2.3. Participation in the network of **OFFICE PRIDE®** businesses.

15.6.3. *Fair Market Value.* The BUSINESS’s fair market value will include the reasonable goodwill you developed in the BUSINESS since your commencement of operations that exists independent of the goodwill of the Marks and the System.

15.6.4. *Exclusions.* We may exclude from the assets purchased hereunder cash or its equivalent and any equipment, signs, inventory, materials and supplies that are not reasonably necessary (in function or quality) to the BUSINESS’s operation or that we have not approved as meeting standards for **OFFICE PRIDE®** businesses, and the purchase price will reflect such exclusions.

15.6.5. *Appraisal.* If we and you are unable to agree on the BUSINESS's fair market value, its fair market value will be determined by three (3) independent appraisers who collectively will conduct one (1) appraisal. We will appoint one appraiser, you will appoint one appraiser and the two party appointed appraisers will appoint the third appraiser. You and we agree to select our respective appraisers within fifteen (15) days after the date we determine that we are unable to agree on the BUSINESS's fair market value, and the two appraisers so chosen are obligated to appoint the third appraiser within fifteen (15) days after the date on which the last of the two party appointed appraisers was appointed. You and we will bear the cost of our own appraisers and share equally the reasonable fees and expenses of the third appraiser chosen by the two party appointed appraisers. The appraisers are obligated to complete their appraisal within thirty (30) days after the third appraiser's appointment.

15.6.6. *Closing.* The purchase price will be paid at the closing of the purchase, which will take place not later than ninety (90) days after determination of the purchase price. We have the right to set off against the purchase price, and thereby reduce the purchase price by, any and all amounts you or your owners owe to us and by Revenue Sales Collected since the date we determined the purchase price.

15.6.7. *Instruments.* At the closing, you agree to deliver instruments transferring:

15.6.7.1. Good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and other transfer taxes paid by you; and

15.6.7.2. All licenses and permits of the BUSINESS which may be assigned or transferred.

15.6.8. *Escrow.* If you cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, the closing of the sale will be accomplished through an escrow. You and your owners further agree to execute general releases, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees, agents, successors and assigns.

15.7. CONTINUING OBLIGATIONS. All of our and your (and your owners' and affiliates') obligations which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

16. RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION.

16.1. INDEPENDENT CONTRACTORS. You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us, that you are an independent contractor and that nothing in this Agreement is intended to make either party a general or special agent, legal representative, subsidiary, joint venture, partner, employee or servant of the other for any purpose. We are not your employer, or the employer of any of your employees. At all times during the term of this Agreement, you agree to conspicuously identify yourself in all dealings with customers, suppliers, public officials, business personnel and others as the owner of the BUSINESS under a franchise we have granted and to place such notices of independent ownership on such forms, checks, business cards, stationery and advertising and other materials as we may require from time to time.

You are solely responsible for all employment decisions and functions of the BUSINESS including, without limitation, those related to hiring, firing, training, compliance with wage and hour requirements, personnel policies, scheduling, benefits, recordkeeping, supervision, and discipline of employees, regardless of whether you receive advice from us on these subjects. You acknowledge and

agree that all personnel decisions will be made by you, without any influence or advice from us, and such decisions and actions will not be, nor be deemed to be, a decision or action of ours.

16.2. NO LIABILITY FOR ACTS OF OTHER PARTY. You agree not to employ any of the Marks in signing any contract or applying for any license or permit, or in a manner that may result in our liability for any of your indebtedness or obligations, and that you will not use the Marks in any way we have not expressly authorized. Neither we nor you will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name or on behalf of the other, represent that our respective relationship is other than franchisor and franchisee or be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized in writing. We will not be obligated for any damages to any person or property directly or indirectly arising out of the BUSINESS's operation or the business you conduct as per this Agreement.

16.3. TAXES. You are responsible for paying all federal and state taxes arising out of or relating to the operation of your BUSINESS. We do not pay any federal or state taxes on your behalf and do not have any obligation to do so. You must pay to us (or any subsidiary, affiliate or designee) promptly and when due the amount of all sales taxes, use taxes, personal property taxes, and similar taxes imposed upon, required to be collected, or paid by us or an affiliate on the account of services or goods furnished by us or our affiliate to you through sale, lease or otherwise or on account of collection by us or our affiliate of the initial franchise fee, royalty fee, processing fee or other fee or payment you make to us or our affiliate pursuant to the terms of this Agreement.

16.4. INDEMNIFICATION. You waive all claims against us for damages to property or injuries to persons arising out of the operation of your BUSINESS. You will, at all times, defend, indemnify and hold harmless to the fullest extent permitted by law, us, our subsidiaries, affiliates, successors and assigns and the respective directors, officers, shareholders, employees, agents and representatives, and all others from all losses, costs and expenses (including attorneys' fees), incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which arises out of or is based upon or related to this Agreement, the activities conducted under this Agreement or in connection with your BUSINESS, or your or your employees' actions or inaction, regardless of cause or any concurrent or contributing fault or negligence of us or our affiliates. We also reserve the right to select our own legal counsel to represent our interests, and you must reimburse us for all our costs and all attorneys' fees immediately upon our request as they are incurred.

16.5. MITIGATION NOT REQUIRED. Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.

17. ENFORCEMENT.

17.1. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS. Except as expressly provided to the contrary herein, each provision of this Agreement, and any portion, will be considered severable, and if, for any reason, any such provision is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which we are a party, that ruling will not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible, which will continue to be given full force and effect and bind the parties hereto, although any portion held to be invalid will be deemed not to be a part of this Agreement from the

date the time for appeal expires, if you are a party thereto, otherwise upon your receipt from us of a notice of non-enforcement.

17.2. LESSER COVENANT ENFORCEABLE. If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited and/or length of time, but would be enforceable by reducing any part or all, you and we agree that such covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law is applicable to the validity of such covenant.

17.3. GREATER NOTICE. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice than is required hereunder of the termination of this Agreement or of our refusal to enter into a successor franchise agreement, or the taking of some other action not required hereunder, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any of Methods of Operations is invalid or unenforceable the prior notice and/or other action required by such law or rule will be substituted for the comparable provisions hereof, and we will have the right to modify such invalid or unenforceable provision or unenforceable part of Methods of Operations to the extent required to be valid and enforceable. You agree to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof, or any part of Methods of Operations, any portion or portions which a court or arbitrator may hold to be unenforceable in a final decision to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order or arbitration award. Such modifications to this Agreement will be effective only in such jurisdiction, unless we elect to give them greater applicability, and will be enforced as originally made and entered into in all other jurisdictions.

17.4. WAIVER OF OBLIGATIONS. We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or such other effective date stated in the notice of waiver. Any waiver we grant will be without prejudice to any other rights we may have, will be subject to our continuing review and may be revoked at any time and for any reason, effective upon delivery to you of ten (10) days' prior written notice.

17.5. NONWAIVER. We and you will not be deemed to have waived or impaired any right, power or option reserved by this Agreement, (including, without limitation, the right to demand exact compliance with every term, condition and covenant herein or to declare any breach to be a default and to terminate this Agreement prior to the expiration of its term) by virtue of any custom or practice at variance with the terms hereof; our or your failure refusal or neglect to exercise any right under this Agreement or to insist upon exact compliance by the other with our and your obligations hereunder including without limitation, Methods of Operations; our waiver, forbearance, delay, failure or omission to exercise any right, power or option whether of the same, similar or different nature with respect to other **OFFICE PRIDE®** businesses; the existence of other franchise agreements for **OFFICE PRIDE®** businesses which contain different provisions from those contained herein; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will constitute a waiver compromise settlement or accord and satisfaction. We are authorized to remove or obliterate any legend or endorsement, and such legend or endorsement will have no effect.

17.6. FORCE MAJEURE. Neither we nor you will be liable for loss or damage or deemed to be in breach of this Agreement if our or your failure to perform our or your obligations results from:

17.6.1. Transportation shortages, inadequate supply of equipment, ancillary goods, supplies, labor, material or energy or the voluntary foregoing of the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency;

17.6.2. Acts of nature;

17.6.3. Fires, strikes, embargoes, war or riot; or

17.6.4. Any other similar event or cause.

17.7. EXTEND PERFORMANCE. Any delay resulting from any of said causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that said causes will not excuse payments of amounts owed at the time of such occurrence or payment of Royalties and Ad Fund Fees due on any sales thereafter.

17.8. OUT-OF-STOCK AND DISCONTINUED. We are not liable to you for any loss or damage, or deemed to be in breach of this Agreement, if we cannot deliver, or cause to be delivered, or if our Affiliates or designated sources or approved suppliers cannot deliver, all of your orders for ancillary goods, equipment, supplies, etc., where such things are out-of-stock or discontinued.

17.9. COSTS AND ATTORNEYS' FEES. You agree to reimburse us for all attorneys' fees, costs, interest, and expenses we incur: (a) to enforce the terms of this Agreement or any obligation owed to us by you; and (b) in the defense of any claim you assert against us upon which we substantially prevail in court, arbitration, or other formal legal proceedings.

17.10. YOU MAY NOT WITHHOLD PAYMENTS DUE TO US. You agree that you will not withhold payment of any amounts owed to us on the grounds of our alleged nonperformance of any of our obligations hereunder. You agree that all such claims will, if not otherwise resolved by us, be submitted to arbitration as provided in Article 17.12.

17.11. RIGHTS OF PARTIES ARE CUMULATIVE. Our and your rights hereunder are cumulative, and no exercise or enforcement by us or you of any right or remedy hereunder will preclude our or your exercise or enforcement of any other right or remedy hereunder which we or you are entitled by law to enforce.

17.12. ALTERNATIVE DISPUTE RESOLUTION. We and you agree to the following processes for alternative dispute resolution:

17.12.01. MEDIATION: Subject to Article 17.12.06, Franchisor, Franchisee and Franchisee's owners agree to submit any claim, controversy or dispute arising out of or in relation to the **OFFICE PRIDE®** Franchise, Franchisee's operation of the **OFFICE PRIDE®** Franchise, this Agreement, or any other agreement between Franchisee and Franchisor, or Franchisor's Franchisees, subsidiaries or affiliates to non-binding mediation prior to filing such claim, controversy or dispute in arbitration or with the church as per Article 17.12.02 of this Agreement or in any court. The mediation shall be conducted through an independent mediator or a mediator appointed by a mediation services organization or body, experienced in the mediation of disputes between franchisors and franchisees. The parties to the mediation shall agree to the date, time and terms of the mediation within fifteen (15) days of notice

requesting mediation being received by any party. The mediation will be held in accordance with the rules established for mediation being used by the American Arbitration Association (“AAA”) or AAA’s successor. The venue for the mediation shall be at AAA offices nearest to Palm Harbor, Florida or the current city and state where Franchisor’s corporate headquarters is located at the time the dispute is submitted to mediation. The costs and expenses of mediation, including compensation and expenses of the mediator, shall be borne by the parties equally. If the parties are unable to reach an agreement that resolves the claim, controversy or dispute within ninety (90) days after the mediator has been appointed, then the dispute shall be referred to arbitration under Article 17.12.02 of this agreement. AAA shall not require any further consent of any party to enforce this mediation provision or any arbitration provision.

17.12.02. Dispute Resolution: Except as to those issues defined under Articles 17.12.04 and 17.12.06 below, and the requirement of mediation under Article 17.12.01 above, all disputes and claims relating to this Agreement, the rights and obligations of the parties hereto, or any claims or causes of action relating to the performance of either party and/or the purchase of the franchise of goods and/or services by Franchisee will be settled by one of the following: (i) arbitration by the American Arbitration Association in Florida, or the current city and state where Franchisor’s corporate headquarters are located at the time the arbitration is commenced (or some other neutral arbitration association that shall be mutually agreed upon by the parties, so long as the proceedings take place in Florida, or the current city and state where Franchisor’s corporate headquarters are located at the time the arbitration is commenced), or (ii) the church according to Biblical principles. You will designate your preferred method of dispute resolution on Exhibit A. All disputes that are to be submitted to arbitration will be governed in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association (or other acceptable arbitration association, as the case may be), and all disputes submitted to the church will be governed by Biblical principles. Unless otherwise ordered by the arbitrator or church, the costs of the proceeding will be borne by the non-prevailing party. The provisions contained within Articles 17.12.04 and 17.14 of this Agreement are to serve in conjunction with the provisions herein and are not designed to invalidate the intent of the parties to resolve disputes through their designated dispute resolution process. The following will supplement and, in the event of a conflict, will govern any dispute resolution process pursuant thereto. ANY SUCH ACTION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS, AND NOT AS PART OF A CONSOLIDATED, COMMON, OR CLASS ACTION, AND YOU AND YOUR OWNERS WAIVE ANY AND ALL RIGHTS TO PROCEED ON A CONSOLIDATED, COMMON, OR CLASS BASIS.

17.12.03. Selection of Decision-Maker: If the parties choose to arbitrate their disputes, the parties will select one arbitrator from the panel provided by the American Arbitration Association (or some other neutral arbitration association that shall be mutually agreed upon by the parties).

If the parties choose to submit their disputes to the church, each party will select a church pastor to serve on the judging panel. The two pastors will select a third pastor to complete the three-person panel. The meeting before the three-person panel will occur in Palm Harbor, Florida, or at an alternative location designated by us. Both parties will have an opportunity to present their case or dispute to the arbitrator or three-person panel, and the arbitrator or three-person panel will be allowed to ask questions and issue a final, binding decision.

17.12.04. Exceptions to Dispute Resolution: These are exceptions to Article 17.12.02: Neither the arbitrator nor the three-person panel will have jurisdiction over disputes relating to the ownership, validity, or registration of any mark, trade secret, copyright, patent or item of intellectual property of Franchisor.

Neither the arbitrator nor three-person panel will have authority to declare any mark, trade secret, copyright, patent or item of intellectual property invalid, abandoned, misused, abused or otherwise to affect the registration or Franchisor's (or any affiliate's) rights thereto.

The registration status of any mark, trade secret, copyright, patent or item of intellectual property is not relevant to any questions regarding the arbitrator's or three-person panel's jurisdiction hereunder.

17.12.05. Judgment Upon the Award: Judgment upon the award of the arbitrator or church may be entered in any court having jurisdiction. The parties agree to sign any documentation necessary prior to the arbitration or church proceeding stating that the arbitrator or panel's decision is binding and final.

17.12.06. Injunctive Relief: Nothing herein contained will prevent either party from applying to and obtaining from any court having jurisdiction a writ of attachment, temporary injunction, preliminary injunction, permanent injunction and/or other emergency relief to enjoin any harm or threat of harm to such party's tangible or intangible property, at any time, including, without limitation, prior to or during the pendency of any mediation or arbitration proceedings initiated hereunder.

17.12.07. Survival: This agreement to arbitrate will survive any termination or expiration of this Agreement.

17.12.08. The provisions of this Article are intended to benefit and bind certain of your third party nonsignatories and will continue in full force and effect subsequent to and regardless of the expiration or termination of this Agreement. The provisions of this Article 17.12. will in no cases apply to our parent company(ies), subsidiary company(ies), or affiliated company(ies).

17.13. GOVERNING LAW. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 *et. seq.*). Except to the extent governed by the Federal Arbitration Act as required hereby, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 *et. seq.*) or other Federal law, this Agreement, the Franchise and all claims arising from the relationship between us and you will be governed by the laws of Florida, without regard to its conflict of laws principles, except that any law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless jurisdictional requirements are met independently without reference to this Article.

17.14. CONSENT TO JURISDICTION. Subject to Article 17.12. hereof, you and your owners agree that we may institute any action against you or your owners exclusively in any state or federal court of general jurisdiction in Florida, or the current state where Franchisor's corporate headquarters are located at the time the litigation is filed and you (and each owner) irrevocably submit to the jurisdiction of such courts and waive any objection you (or he or she) may have to either the jurisdiction of or venue in such courts. ANY SUCH ACTION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS, AND NOT AS PART OF A CONSOLIDATED, COMMON, OR CLASS ACTION, AND YOU AND YOUR OWNERS WAIVE ANY AND ALL RIGHTS TO PROCEED ON A CONSOLIDATED, COMMON, OR CLASS BASIS.

17.15. BINDING EFFECT. This Agreement is binding upon us and you and our respective executors, administrators, heirs, beneficiaries, assigns and successors in interest and may not be modified except by written agreement signed by you and us.

17.16. CONSTRUCTION. This Agreement and all exhibits to this Agreement constitute the agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the

representations we made in the franchise disclosure document that we furnished to you. You acknowledge that you are entering into this Agreement as a result of your own investigation of our franchised business and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement or in any disclosure document, prospectus or other similar document required or permitted to be given to you pursuant to applicable law.

17.17. WITHHOLD APPROVAL. Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed or effected actions that require our approval.

17.18. HEADINGS. The headings of the several Articles hereof are for convenience only and do not define, limit or construe the contents of such Articles.

17.19. WE, US, OUR. Unless expressed to the contrary, references in this Agreement to “we,” “us” and “our,” with respect to all of our rights and all of your obligations to us under this Agreement, will be deemed to include any of our affiliates with whom you deal. The term “affiliate,” as used herein with respect to you or us, means any person or entity directly or indirectly owned or controlled by, under common control with or owning or controlling you or us. For purposes of this definition, “control” means the power to direct or cause the direction of management and policies.

17.20. JOINT AND SEVERAL OWNERS’ LIABILITY. If two or more persons are at any time the owner of the BUSINESS hereunder, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several. References to “owner” mean any person holding a direct or indirect, legal or beneficial ownership interest or voting rights in you (or a transferee of this Agreement and the BUSINESS or an interest in you), including, without limitation, any person who has a direct or indirect interest in you (or a transferee), this Agreement, the Franchise or the BUSINESS and any person who has any other legal or equitable interest, or the power to vest in himself any legal or equitable interest, in the revenue, profits, rights or assets .

References to a “controlling interest” in you mean thirty three and one-third (33.33%) percent or more of your voting shares or other voting rights if you are a corporation or partnership owned by three (3) or more persons; otherwise, fifty (50%) percent or more of your voting shares or other voting rights will constitute a “controlling interest.” “Person” means any natural person, corporation, general or limited partnership, unincorporated association, cooperative or other legal or functional entity.

17.21. “BUSINESS”. The term “BUSINESS” as used herein includes all of the assets of the **OFFICE PRIDE®** business you operate in a particular Territory as per this Agreement, including, without limitation, its cleaning accounts, revenue and income.

17.22. MULTIPLE COPIES. This Agreement may be executed in multiple copies, each of which will be deemed an original.

17.23 WAIVER OF PUNITIVE DAMAGES. Each of us waives any rights to claims of punitive, exemplary, multiple or consequential damages against the other in litigation or arbitration and agrees to be limited to the recovery of actual damages sustained; provided, nothing in the Section prevents us from seeking lost future profits.

18. NOTICES AND PAYMENTS.

18.1. NOTICES. All written notices and reports permitted or required to be delivered by the provisions of this Agreement or the Methods of Operations will be deemed so delivered:

18.1.1. At the time delivered by hand;

18.1.2. One (1) business day after transmission by telecopy, facsimile or other electronic system, provided there is evidence of delivery;

18.1.3. One (1) business day after being placed in the hands of a commercial courier service for next business day delivery, provided there is evidence of delivery; or

18.1.4. Three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and must be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified. Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days prior thereto) will be deemed delinquent.

18.2. PAYMENTS. All payments required to be delivered by the provisions of this Agreement or the Methods of Operations will be deemed so delivered as provided in Article 18.1. above, and will be deemed delivered by bank-wire transfer upon telephone or electronic confirmation with the receiving bank.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement on the date(s) set forth below.

FAITH FRANCHISING COMPANY, LLC

By: _____

Name Printed: _____

Title: Dated: _____

EACH OF THE UNDERSIGNED PARTIES WARRANTS AND REPRESENTS THAT HE/SHE HAS NOT RELIED UPON ANY GUARANTEES CONCERNING REVENUE, PROFIT OR THE SUCCESS OF THIS FRANCHISE IN SO SIGNING.

[FRANCHISE OWNER]

By: _____

Name Printed: _____

Title: _____

Dated: _____

As Individuals:

By: _____

Name Printed: _____

Dated: _____

By: _____

Name Printed: _____

Dated: _____

By: _____

Name Printed: _____

Dated: _____

EXHIBIT A
TO THE FRANCHISE AGREEMENT
BETWEEN FAITH FRANCHISING COMPANY, LLC
AND

[FRANCHISE OWNER]
DATED [DATE]

Effective Date: This Exhibit A is current and complete as of the date hereof.

You and Your Owners

19. FORM OF OWNER.

19.1. CORPORATION OR PARTNERSHIP. You were incorporated or formed on _____, 20____, under the laws of the State of _____. You have not conducted business under any name other than your corporate or partnership name. The following is a list of your directors, if applicable, and officers as of the effective date shown above:

Name of Each Director/Officer

Position(s) Held

19.2. OWNERS. The following list includes the full name and mailing address of each person who is one of your owners (as defined in the Franchise Agreement) and fully describes the nature of each owner's interest. Each owner must sign the Franchise Agreement. Each owner consents to our obtaining a credit report and background report from time to time during the term of the Franchise Agreement.

Owner's Name and Address	Description of Interest

19.3. DISPUTE RESOLUTION. Franchisor and Franchisee agree to submit all claims and disputes covered by Article 17.12.02 to the following:

- Arbitration
- Church

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Exhibit A to the Franchise Agreement on the date(s) set forth below.

FAITH FRANCHISING COMPANY, LLC

By: _____

Name Printed: _____

Title: Dated: _____

[FRANCHISE OWNER]

By: _____

Name Printed: _____

Title: _____

Dated: _____

As Individuals:

By: _____

Name Printed: _____

Dated: _____

By: _____

Name Printed: _____

Dated: _____

By: _____

Name Printed: _____

Dated: _____

EXHIBIT A-1M
TO THE FRANCHISE AGREEMENT
BETWEEN FAITH FRANCHISING COMPANY, LLC
AND

[FRANCHISE OWNER]
DATED [DATE]

Effective Date: This Exhibit A-1M is current and complete as of the date hereof.

Territory. As stated in Article 1.3 of the Franchise Agreement, the Territory consists of the area within the following zip codes (a map of the Territory is also included below):

[ATTACH MAP]

EXHIBIT B
TO THE FRANCHISE AGREEMENT
BETWEEN FAITH FRANCHISING COMPANY, LLC
AND

[FRANCHISE OWNER]
DATED [DATED]

PERSONAL GUARANTEE

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

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Franchise Agreement, including but not limited to the non-compete provisions in Article 15.4, and agree that this Personal Guarantee will be construed as though the undersigned and each of them executed a franchise agreement containing the identical terms and conditions of this Franchise Agreement.

In addition, the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the Franchisee or any other person; and (2) such liability will not be diminished, relieved or otherwise affected by the Franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Franchise Agreement, or the amendment or extension of the Franchise Agreement with or without notice to the undersigned.

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

FRANCHISEE: _____

PERSONAL GUARANTORS:

_____			_____		
Individually			Individually		
_____			_____		
Print Name			Print Name		
_____			_____		
Address			Address		
_____			_____		
City	State	Zip Code	City	State	Zip Code
_____			_____		
Telephone			Telephone		

EXHIBIT A-2

OFFICE PRIDE®

SAMPLE GENERAL RELEASE

SAMPLE GENERAL RELEASE

For and in consideration of the Agreements and covenants described below, Faith Franchising Company, LLC (“Franchisor”) and (“Franchisee”) enter into this General Release of Claims (“Agreement”).

RECITALS

- A. Franchisor and Franchisee entered into a Franchise Agreement dated _____.
- B. [Note: Describe the circumstances relating to the release.]
- C. Subject to and as addressed with greater specificity in the terms and conditions set forth below, Franchisor and Franchisee now desire to settle any and all disputes that may exist between them relating to the Franchise Agreement.

AGREEMENTS

1. **Consideration.** [Note: Describe the consideration paid.]
- 2-3. [Note: Detail other terms and conditions of the release.]
4. **Release of Claims by Franchisor.** In consideration of, and only upon full payment of \$ _____ to Franchisor, and the other terms and conditions of this Agreement, the receipt and sufficiency of which is hereby acknowledged, Franchisor, for itself and for each of its affiliated corporations, subsidiaries, divisions, insurers, indemnitors, attorneys, successors, and assigns, together with all of its past and present directors, officers, employees, attorneys, agents, assigns and representatives does hereby release and forever discharge Franchisee and each of his heirs, executors, successors, and assigns of and from any and all actions, suits, proceedings, claims (including, but not limited to, claims for attorney’s fees), complaints, judgments, executions, whether liquidated or unliquidated, known or unknown, asserted or unasserted, absolute or contingent, accrued or not accrued, disclosed or undisclosed, related to the Franchise Agreement. This release does not release Franchisee from any obligations it may have under this Agreement.
5. **Release of Claims by Franchisee.** In consideration of the other terms and conditions of this Agreement, the receipt and sufficiency of which is hereby acknowledged, Franchisee, for itself and for each of his or her heirs, executors, administrators, insurers, attorneys, agents, representatives, successors, and assigns, does hereby release and forever discharge Franchisor and each of its respective affiliated corporations, subsidiaries, divisions, insurers, indemnitors, attorneys, successors, and assigns, together with all of their past and present directors, officers, employees, attorneys, agents, assigns and representatives in their capacities as such, of and from any and all actions, suits, proceedings, claims (including, but not limited to, claims for attorney’s fees), complaints, charges, judgments, executions, whether liquidated or unliquidated, known or unknown, asserted or unasserted, absolute or contingent, accrued or not accrued, related to the Franchise Agreement.
6. **Reservation of Claims Against Non-Settling Parties.** Franchisor and Franchisee expressly reserve their right and claims against any non-settling persons, firms, corporations, or other entities for whatever portion or percentage their damages are found to be attributable to the wrongful conduct of said non-settling parties.
7. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties relative to the subject matter contained herein, and all prior understandings, representations and agreements

made by and between the parties relative to the contents contained in this Agreement are merged into this Agreement.

8. **Voluntary Nature of Agreement.** The parties acknowledge and agree that they have entered into this Agreement voluntarily and without any coercion. The parties further represent that they have had the opportunity to consult with an attorney of their own choice, that they have read the terms of this Agreement, and that they fully understand and voluntarily accept the terms.

9. **Governing Law and Jurisdiction.** This Agreement will be construed and enforced in accordance with the law of the state of _____.

10. **Attorneys' Fees.** All rights and remedies under this Agreement shall be cumulative and none shall exclude any other right or remedy allowed by law. In the event of a breach of this Agreement that requires one of the parties to enforce the terms and conditions of this Agreement, the non-prevailing party shall pay the prevailing party's attorneys' fees and costs incurred by reason of the breach.

Dated: _____, 20____

FAITH FRANCHISING COMPANY, LLC

By _____
Its _____

Dated: _____, 20____

FRANCHISEE:

By _____
Its _____

*This General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

EXHIBIT A-3

OFFICE PRIDE®

FORM OF RENEWAL AMENDMENT TO FRANCHISE AGREEMENT

**ADDENDUM TO
OFFICE PRIDE®
FRANCHISE AGREEMENT**

THIS ADDENDUM TO THE OFFICE PRIDE FRANCHISE AGREEMENT is made and entered into on _____ (the “Franchise Agreement”), by and between FAITH FRANCHISING COMPANY, LLC, a limited liability company organized under Delaware law, with its principal business address at 3450 East Lake Road, Suite 200, Palm Harbor, Florida 34685 (referred to in this Agreement as “Franchisor,” “we,” “us” or “our”), and [ENTITY NAME], whose principal business address is [ENTITY ADDRESS] (referred to in this Agreement as “Franchisee,” “you,” “your” or “owner”).

A. The following changes are being made:

3.1. INITIAL FRANCHISE FEE. This Agreement is a renewal. There is no Initial Franchise Fee due.

4.1. TRAINING. Franchisee agrees to attend an Initial or Renewal Training as a Renewing franchisee in one of the Franchisor’s scheduled training sessions.

B. In consideration of the other terms and conditions of this Agreement, the receipt and sufficiency of which is hereby acknowledged, Franchisee, for itself and for each of his or her heirs, executors, administrators, insurers, attorneys, agents, representatives, successors, and assigns and on behalf of any other party claiming an interest through Franchisee, in their corporate and individual capacities (collectively, “Releasor”), does hereby release and forever discharge Franchisor and each of its predecessors, successors, affiliates, subsidiaries, divisions, insurers, indemnitors, attorneys, successors, and assigns, together with all of their past and present directors, officers, employees, attorneys, agents, assigns and representatives in their corporate and individual capacities (collectively, “Releasees”), from, in respect of and in relation to any and all actions, suits, proceedings, claims (including, but not limited to, claims for attorney’s fees), complaints, charges, judgments, executions, debts, obligations, liabilities, sums of money, costs and expenses, acts, omissions or refusals to act, damages, and demands, of any kind whatsoever, whether joint or several, liquidated or unliquidated, known or unknown, asserted or unasserted, absolute or contingent, accrued or not accrued, which Releasor ever had, now has or which Releasor hereinafter can, will or may have, against Releasees related to, arising from, for, upon or by reason of any matter, cause or thing whatsoever related to the Original Franchise Agreement and the business operated thereunder or any other agreement between Releasor and Releasees, or the relationship between Releasor and Releasees, through and including the date hereof (collectively, the “Claims”) for known or unknown damages or other losses, including but not limited to any alleged violations of any deceptive or unfair trade practices laws, franchise laws or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Original Franchise Agreement or any other related agreement between the Releasor and Releasees or the relationship between Releasor and Releasees through and including the date hereof. For the avoidance of doubt, the Releasor does not release Releasees from any obligations arising by virtue of this Agreement and any claims arising from the Releasees’ failure to comply with those obligations or the Franchise Disclosure Document furnished to Franchisee as part of entering into this Agreement and the franchise laws that apply to the specific offer, sale and signing of this Agreement.

The release of the Claims as set forth above is intended by the Releasor to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasees regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Releasor acknowledges that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned

herein may later be discovered and that it is the Releasor's intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasor acknowledges that Releasor has had adequate opportunity to gather all information necessary to enter into this Agreement and to grant the releases contained herein, and needs no further information or knowledge of any kind that would otherwise influence the decision to enter into this Agreement. The Releasor, for itself and its heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waives, relinquishes and abandons each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any other applicable federal or state law with jurisdiction over the parties' relationship. The Releasor acknowledges that Section 1542 of the Civil Code of the State of California provides as follows:

“A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor or released party.”

This release is and shall be and remain a full, complete and unconditional general release. The Releasor acknowledges and agrees that this release is an essential, integral and material term of this Agreement. The Releasor further acknowledges and agrees that no violation of this Agreement shall void the release set forth herein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Addendum to the Franchise Agreement on the date set forth above.

As Franchisor: **FAITH FRANCHISING COMPANY, LLC**

By: _____

Name Printed:

Title:

As Franchisee:

By: _____

Name Printed: [Owner Name]

Title: [Managing Member]

As Individual(s):

By: _____

Name Printed: [Owner Name]

EXHIBIT A-4

OFFICE PRIDE®

FORM OF SBA ADDENDUM TO FRANCHISE AGREEMENT

ADDENDUM TO FRANCHISE AGREEMENT¹

THIS ADDENDUM (“Addendum”) is made and entered into on _____, 20____, by and between Faith Franchising Company, LLC (“Franchisor”), located at 3450 East Lake Road, Palm Harbor, Florida 34685, and _____ (“Franchisee”), located at _____.

Franchisor and Franchisee entered into a Franchise Agreement on _____, 20____, (such Agreement, together with any amendments, the “Franchise Agreement”). Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U.S. Small Business Administration (“SBA”). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge the parties agree that notwithstanding any other terms in the Franchise Agreement or any other document Franchisor requires Franchisee to sign:

CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor’s consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the Franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee Franchisee.

FORCED SALE OF ASSETS

- If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchisee location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value.

COVENANTS

- If the Franchisee owns the real estate where the franchisee location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the Franchisee’s real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

¹ While relationships established under license, jobber, dealer and similar agreements are not generally described as “franchise” relationships, if such relationships meet the Federal Trade Commission’s (FTC’s) definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).

EMPLOYMENT

- Franchisor will not directly control (hire, fire or schedule) Franchisee’s employees. For temporary personnel franchises, the temporary employees will be employed by the Franchisee not the Franchisor.

As to the referenced Franchise Agreement, this Addendum automatically terminates when the SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 – 3733.

Authorized Representative of FRANCHISOR:

By: _____

Print Name: _____

Title: _____

Authorized Representative of FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Note to Parties: This Addendum only addresses “affiliation” between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the Franchise system must meet all SBA eligibility requirements.

EXHIBIT A-5

OFFICE PRIDE®

FORM OF CONVERSION ADDENDUM TO FRANCHISE AGREEMENT

**CONVERSION ADDENDUM TO
OFFICE PRIDE®
FRANCHISE AGREEMENT**

THIS ADDENDUM TO THE OFFICE PRIDE FRANCHISE AGREEMENT (the “Franchise Agreement”) is made by and between FAITH FRANCHISING COMPANY, LLC, a limited liability company organized under Delaware law, with its principal business address at 3450 East Lake Road, Suite 200, Palm Harbor, Florida 34685 (referred to in this Addendum as “Franchisor,” “we,” “us” or “our”), and [ENTITY NAME], whose principal business address is [ENTITY ADDRESS] (referred to in this Addendum as “Franchisee,” “you,” “your” or “owner”). Capitalized terms not defined in this Conversion Addendum have the meaning given them in the Franchise Agreement. The Effective Date of this Addendum is the same as the Effective Date of the Franchise Agreement between the parties, which is _____, 20__.

BACKGROUND:

A. You own and operate an existing commercial cleaning business (the “Existing Business”) doing business under the entity name (corporation or limited liability company) referenced above dba _____.

B. You desire to convert your Existing Business to an **OFFICE PRIDE®** Business.

C. Because of your experience and existing customer base, we have agreed to make certain modifications to the Franchise Agreement as set forth below.

D. In order to convert your Existing Business to an **OFFICE PRIDE®** Business as part of our conversion franchise program we are offering to qualifying existing business owners as of the date of the Franchise Agreement and this Addendum (the “Conversion Franchise Program” or “Conversion”).

AGREEMENT:

1. Ownership. You represent and warrant that the following individuals are the sole owners of the Existing Business (the “Owners”) and these individuals will be the sole owners of Franchisee:

Owners	Percentage of Ownership in Franchisee (total must equal 100%)
Total	100%

You further represent and warrant to Franchisor that (i) the Owners own all right, title and interest in and to the Existing Business, free and clear of any mortgage, lien or claims, and the Owners have not assigned any or all of their interest in the Existing Business to any third party, and (ii) all financial information and reports you have provided to us, including without limitation, customer list and trailing 12 months revenue and current balance sheet are accurate.

2. Payment of Initial Franchise Fee.

If you currently operate a commercial cleaning business that meets our qualifying criteria for a Conversion Franchise, and you desire to convert your Existing Business to an **OFFICE PRIDE®** Business, we will waive the Initial Franchise Fee as part of the Conversion Franchise. The qualifying criteria includes completing training to our satisfaction. If you don't meet the qualifying criteria for the waiver of the Initial Franchise Fee, your Initial Franchise Fee will be \$39,000 minus an amount equal to 2 months of qualified gross invoicing for your existing business prior to the conversion. For example, if your last 2 months of qualified gross invoicing is \$20,000, the Initial Franchise Fee will be \$19,000 (\$39,000 - \$20,000).

Based on the foregoing, your Initial Franchise Fee is \$_____.

[NOTE: The following two paragraphs only apply if Franchisee meets the qualifying criteria for the waiver of the Initial Franchise Fee/Conversion Franchise Program]

3. Conversion Payment. In connection with the Conversion Franchise Program, we will pay you a Conversion Payment of \$_____, which is payable as follows: \$_____ upon our signing of the Franchise Agreement and this Addendum; \$_____ as of the date all existing customers have been converted to Office Pride customers and the existing customer information is provided to us for billing and entered into our billing system; and \$_____ in the event you have maintained the same level of Revenue Sales Collected for the first 12 months following the Effective Date as the Trailing 12 Months Sales prior to the Conversion.

[NOTE: The actual Conversion Payment will be equal to a multiple of 6-9% of Trailing 12 Months Sales, depending on a number of factors we discuss with you.]

4. Return of Conversion Payment. In the event the Franchise Agreement is terminated prior to the fifth (5th) anniversary of the Effective Date, you agree to repay all or part of the Conversion Payment as follows: (i) 100% of the Conversion Payment if the Franchise Agreement is terminated prior to the first anniversary of the Effective Date of the Franchise Agreement; (ii) 80% of the Conversion Payment if the Franchise Agreement is terminated after the first anniversary and prior to the second anniversary of the Effective Date of the Franchise Agreement; (iii) 60% of the Conversion Payment if the Franchise Agreement is terminated after the second anniversary and prior to the third anniversary of the Effective Date of the Franchise Agreement; (iv) 40% of the Conversion Payment if the Franchise Agreement is terminated after the third anniversary and prior to the fourth anniversary of the Effective Date of the Franchise Agreement; and (v) 20% of the Conversion Payment if the Franchise Agreement is terminated after the fourth anniversary and prior to the fifth anniversary of the Effective Date of the Franchise Agreement. Notwithstanding the percentage reduction noted in the prior sentence, you acknowledge and agree that in the event the Franchise Agreement is terminated prior to the fifth anniversary of the Effective Date and you violate the covenant not to compete set forth in Section 15.4 of the Franchise Agreement, you agree to pay 100% of the Conversion Payment in addition to all other remedies we may have as a result of your failure to comply with the covenant not to compete, including injunctive relief.

5. No Other Modifications. Except as expressly modified by this Addendum, the Franchise Agreement remains in full force and effect and is enforceable according to its terms and conditions.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Addendum to the Franchise Agreement on the date set forth above.

As Franchisor: **FAITH FRANCHISING COMPANY, LLC**

By: _____

Name Printed:

Title:

As Franchisee:

By: _____

Name Printed: [Owner Name]

Title: [Managing Member]

As Individual(s):

By: _____

Name Printed: [Owner Name]

EXHIBIT B
FINANCIAL STATEMENTS



Financial Statements
December 31, 2022, 2021, and 2020
Faith Franchising Company, LLC

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Independent Auditor's Report

To the Member
Faith Franchising Company, LLC
Palm Harbor, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Faith Franchising Company, LLC (the Company), which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of income, changes in equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Other Matters

The financial statements of the Company as of and for the year ended December 31, 2020, were audited by Peterson, Whitaker and Bjork, LLC, who joined Eide Bailly LLP on December 6, 2021, and whose report dated March 12, 2021, contained an unmodified opinion on those statements and supplementary information.

Responsibilities of Management 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; and for 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 2022 and 2021 schedules of general and administrative expenses are presented for the purposes of additional analysis and are 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the 2022 and 2021 financial statements as a whole.

Eide Bailly LLP

Plymouth, Minnesota
April 14, 2023

Faith Franchising Company, LLC

Balance Sheets

December 31, 2022, 2021, and 2020

	2022	2021	2020
Assets			
Current Assets			
Cash	\$ 1,021,013	\$ 380,357	\$ 1,123,577
Franchise receivables	3,000	11,000	38,437
Royalty receivables	143,904	130,887	130,947
Current maturities of notes receivable - franchise fees	-	-	41,115
Short-term note receivable	-	-	22,500
Prepaid expenses	158,506	35,014	-
Total current assets	1,326,423	557,258	1,356,576
Notes Receivable - Franchise Fees, Net of Current Maturities	-	-	55,788
Contract Assets	642,259	504,831	493,310
Furniture and Equipment, Net	10,308	18,791	28,223
Intangible Assets, Net	654,520	756,826	-
Total assets	\$ 2,633,510	\$ 1,837,706	\$ 1,933,897
Liabilities and Equity			
Current Liabilities			
Accounts payable - trade	\$ 12,177	\$ 14,058	\$ 65,814
Shared royalty payable	382,695	465,396	379,618
Deferred revenue	-	26,250	131,250
Other accrued liabilities	121,106	5,921	-
Disaster relief fund	253	2,446	2,446
Total current liabilities	516,231	514,071	579,128
Equity			
Member capital	43,000	43,000	-
Common stock - 100,000 shares authorized; 7,760 shares issued and outstanding, no par value	-	-	43,000
Retained earnings	2,074,279	1,280,635	1,311,769
Total equity	2,117,279	1,323,635	1,354,769
Total liabilities and equity	\$ 2,633,510	\$ 1,837,706	\$ 1,933,897

Faith Franchising Company, LLC
Statements of Income
Years Ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Revenues			
Royalty fees	\$ 6,944,549	\$ 6,566,201	\$ 5,716,746
Franchise fees	317,500	368,131	418,500
Processing and technology fees	980,976	875,485	492,288
Retreat and other	301,488	279,672	191,529
Total revenues	<u>8,544,513</u>	<u>8,089,489</u>	<u>6,819,063</u>
Operating and Administrative Expenses			
Area developers' shared royalty fees	1,404,752	1,788,004	1,590,820
Franchise fee commissions	164,697	157,607	141,125
Management, administrative, and billing services fees	3,428,387	3,028,164	2,797,396
General and administrative expenses	1,032,244	1,263,232	668,757
Depreciation	8,483	9,432	9,432
Amortization	162,306	27,174	-
Total operating and administrative expenses	<u>6,200,869</u>	<u>6,273,613</u>	<u>5,207,530</u>
Income from Operations	2,343,644	1,815,876	1,611,533
Other Income			
Interest income	-	2,990	6,797
Net Income	<u>\$ 2,343,644</u>	<u>\$ 1,818,866</u>	<u>\$ 1,618,330</u>

Faith Franchising Company, LLC
 Statements of Changes in Equity
 Years Ended December 31, 2022, 2021, and 2020

	Common Stock		Member Capital	Retained Earnings	Total Equity
	Shares	Amount			
Balance at January 1, 2020	7,760	\$ 43,000	\$ -	\$ 893,439	\$ 936,439
Cash dividends paid	-	-	-	(1,200,000)	(1,200,000)
Net income	-	-	-	1,618,330	1,618,330
Balance at December 31, 2020	7,760	43,000	-	1,311,769	1,354,769
Conversion to LLC	(7,760)	(43,000)	43,000	-	-
Cash dividends paid	-	-	-	(1,850,000)	(1,850,000)
Net income	-	-	-	1,818,866	1,818,866
Balance at December 31, 2021	-	-	43,000	1,280,635	1,323,635
Cash dividends paid	-	-	-	(1,550,000)	(1,550,000)
Net income	-	-	-	2,343,644	2,343,644
Balance at December 31, 2022	-	\$ -	\$ 43,000	\$ 2,074,279	\$ 2,117,279

Faith Franchising Company, LLC
Statements of Cash Flows
Years Ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Operating Activities			
Net income	\$ 2,343,644	\$ 1,818,866	\$ 1,618,330
Adjustments to reconcile net income to net cash from (used for) operating activities			
Depreciation	8,483	9,432	9,432
Amortization - intangibles	162,306	27,174	-
Amortization - incentives	3,000	-	-
Changes in operating assets and liabilities			
Franchise receivables	8,000	27,437	(15,437)
Royalty receivables	(13,017)	60	26,123
Prepaid expenses	(123,492)	(35,014)	5,232
Contract assets	(140,428)	(11,521)	(46,500)
Accounts payable - trade	(1,881)	(51,756)	2,022
Other accrued liabilities	115,185	5,921	-
Shared royalty payable	(82,701)	85,778	79,018
Deferred revenue	(26,250)	(105,000)	61,250
Disaster relief fund	(2,193)	-	-
Net Cash from Operating Activities	2,250,656	1,771,377	1,739,470
Investing Activities			
Purchase of intangible assets	(60,000)	(784,000)	-
Notes receivable issued	-	-	(22,500)
Notes receivable collected	-	119,403	46,022
Net Cash from (used for) Investing Activities	(60,000)	(664,597)	23,522
Financing Activities			
Dividend payments	(1,550,000)	(1,850,000)	(1,200,000)
Net Cash used for Financing Activities	(1,550,000)	(1,850,000)	(1,200,000)
Net Change in Cash	640,656	(743,220)	562,992
Cash, Beginning of Year	380,357	1,123,577	560,585
Cash, End of Year	\$ 1,021,013	\$ 380,357	\$ 1,123,577

Note 1 - Summary of Significant Accounting Policies and Other Information**Organization**

Faith Franchising Company, LLC (the Company), a wholly owned subsidiary of Office Pride, LLC (the Parent), was established in the state of Indiana for the purpose of selling franchise rights to Office Pride Commercial Cleaning Services.

These financial statements include only the accounts of the Company. The Parent controls all employees and administers the Ad Fund. Office Pride Billing Services, LLC, another subsidiary of the Parent, handles all billing and collection transactions. See Note 7 for related party transactions.

The Company filed a Uniform Franchise Offering Circular with the state of Indiana and was authorized to sell franchises in Indiana as of December 22, 1995. As of December 31, 2009, the Company was authorized to sell franchises in nearly all 50 states. Overall changes to operating franchisees are as follows:

	2022	2021	2020
Franchises operating, beginning of year	145	140	139
Franchises opened during the year	12	13	12
Franchises discontinued during the year	(10)	(8)	(11)
Franchises operating, end of year	<u>147</u>	<u>145</u>	<u>140</u>

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) 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.

Concentrations, Risks, and Uncertainties

The Company maintains cash balances with multiple financial institutions. The Company has not experienced any losses in the accounts, but the balances, at times, may exceed the \$250,000 insurance limit established through the Federal Deposit Insurance Corporation (FDIC).

Receivables

Operating receivables consist of trade receivables, royalty and area development fees receivable, prepayments to franchisees, and notes receivable. Receivables are stated at amounts that management expects to collect from franchisees' balances outstanding at year end. Interest earned on notes receivable is recorded when collected. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts or notes receivable. The allowance for uncollectible accounts was \$0 at December 31, 2022, 2021, and 2020.

The Company contracts with Office Pride Billing Service, LLC, an entity owned by the Parent, to provide invoicing and collection service to franchisees' customers (See Note 7). The Company earns royalty fees based on amounts collected from franchisees' customers. At December 31, 2022, 2021, and 2020, the net amount due to the Company for royalty fees earned amounted to \$143,904, \$130,887, and \$130,947, respectively, and are included in royalty receivables on the balance sheets.

The Company conducts ongoing evaluations of its franchisees and area developers and generally does not require collateral or other security interest.

Furniture and Equipment

Furniture and equipment are carried at cost. Depreciation expense is computed using the straight-line method over estimated useful lives ranging from five to seven years for furniture and equipment. Significant additions or improvements extending asset lives are capitalized, while maintenance and repairs are charged to expense as incurred. The cost and related accumulated depreciation on asset disposals are removed from the accounts, and the resulting gain or loss is included in operating and administrative expenses.

Intangible Assets

Intangible assets consist of reacquired area development rights, are not considered to have an indefinite useful life, and are amortized over the remaining contractual term of the reacquired right which ranges from five to seven years. The cost of reacquired rights with no contractual term are expensed immediately.

Impairment of Long-Lived Assets

Long-lived assets, such as furniture and equipment and intangibles subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. There were no impairment charges recognized during the years ended December 31, 2022, 2021, and 2020.

Shared Royalty Payable

The Company has various rebate programs available to each franchisee based on the annual volume of their transactions. The amounts calculated are included as shared royalty payable and are paid the following month.

Revenue Recognition

Revenue recognition is governed by Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*, which requires that five basic criteria must be met before revenue can be recognized: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the entity satisfies a performance obligation.

The Company derives its revenues primarily from royalties, processing, and technology fees collected from franchisees, initial franchise fees from new franchises, and other miscellaneous fees. Revenues are recognized when control of these products or services is transferred to its customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those products and services.

The Company's primary performance obligations under the franchise license are granting certain rights to use the Company's intellectual property and pre-opening services. The Company has elected to account for the pre-opening services as a single distinct performance obligation in accordance with the practical expedient, ASU 2021-02, *Franchisors — Revenue from Contracts with Customers*. Franchise agreements generally provide for an initial franchise fee of \$35,000 per franchise unit and generally require that franchisees pay royalty fees at 9% of collected invoices, processing fees, and other fees. Sales and other taxes the Company collects concurrent with revenue-producing activities are excluded from revenue. Costs incurred to obtain a contract are capitalized and expensed over the estimated period that revenue is generated from the contract. Upfront payments to customers as an incentive to convert previous cleaning businesses into franchisees are considered part of the transaction price. These costs are capitalized and amortized as a reduction to revenue.

Processing fees are based on a percentage of the franchises' collected revenue and are recognized as the collection services are performed. Technology fees are based on preset amounts and are recognized monthly. Retreat fees and other miscellaneous revenues represent specific services and are recognized when the performance obligation is complete.

Franchisees may be provided incentive allowances when they enter into a franchise agreement to help defray the cost of converting their existing operations to comply with the Company's format and designs. In the event the contract is terminated prior to the expiration date, the franchise agreement requires the franchisee to refund some of the cost based on the time elapsed and amounts specified in the agreement. These costs are considered a reduction in the transaction price and are therefore allocated as a reduction of the franchise fee revenues. Customer incentives are capitalized as contract assets on the balance sheets and are recognized on the straight-line basis over the ten-year franchise agreement, which is also the period of expected cash flows associated with the franchise agreement.

Advertising Expenses

Advertising expenses are recognized in the period incurred and were \$0, \$30, and \$1,758 in 2022, 2021, and 2020, respectively.

Income Taxes

The Company's income and expenses are included in a consolidated tax return filed by the Parent. Accordingly, a provision for income taxes has not been provided in these financial statements, as any liability or benefit generally accrues to the Parent and underlying members.

The Company accounts for income taxes pursuant to Financial Accounting Standards Board guidance. This guidance prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken, or expected to be taken, in a tax return. For those benefits to be recognized, a tax position must be more likely than not to be sustained upon examination by taxing authorities. The Company believes its income tax filing positions and deductions will be sustained upon examination and, accordingly, no reserves or related accruals for interest and penalties have been recorded at December 31, 2022, 2021, and 2020.

In accordance with the guidance, the Company has adopted a policy under which, if required to be recognized in the future, interest related to the underpayment of income taxes will be classified as a component of interest expense and any related penalties will be classified in operating expenses in the statements of income.

Note 2 - Furniture and Equipment

Furniture and equipment consist of the following as of:

	December 31,		
	2022	2021	2020
Furniture and equipment	\$ 58,723	\$ 58,723	\$ 58,723
Less accumulated depreciation	(48,415)	(39,932)	(30,500)
Fixed assets, net	<u>\$ 10,308</u>	<u>\$ 18,791</u>	<u>\$ 28,223</u>

Depreciation expense totaled \$8,483, \$9,432, and \$9,432 for the years ended December 31, 2022, 2021, and 2020, respectively.

Note 3 - Intangible Assets

Intangible assets relate to reacquired area development rights (see Note 6) and consist of the following as of:

	December 31,		
	2022	2021	2020
Reacquired area development rights	\$ 844,000	\$ 784,000	\$ -
Less accumulated amortization	(189,480)	(27,174)	-
Intangible assets, net	<u>\$ 654,520</u>	<u>\$ 756,826</u>	<u>\$ -</u>

Future amortization is expected to be as follows:

<u>For the Years Ending December 31:</u>	
2023	\$ 172,972
2024	172,972
2025	172,972
2026	115,363
2027	12,145
Thereafter	<u>8,096</u>
Total	<u><u>\$ 654,520</u></u>

Note 4 - Notes Receivable - Franchise

The Company has occasionally executed notes receivable with franchisees for the payment of a portion of the initial franchise fee. These notes typically span over a period of 24 to 60 months and bear an interest rate of 4% to 10%. During 2021, outstanding balances were transferred, in exchange for cash, to an entity related through common ownership. The Company routinely assesses the financial ability of the franchisee to pay the note prior to execution of the franchise agreement and, therefore, believes notes receivable credit risk is limited.

Note 5 - Revenues

The following table disaggregates the Company's revenue based on the timing of satisfaction of performance obligations for the years ended December 31:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Performance obligations satisfied over time	\$ 7,925,525	\$ 7,441,686	\$ 6,209,034
Performance obligations satisfied at a point in time	<u>618,988</u>	<u>647,803</u>	<u>610,029</u>
Total revenues	<u><u>\$ 8,544,513</u></u>	<u><u>\$ 8,089,489</u></u>	<u><u>\$ 6,819,063</u></u>

Revenue from performance obligations satisfied at a point in time consist of franchise fees from allocated pre-opening services provided to new franchisees and other miscellaneous fees.

Revenue from performance obligations satisfied over time consist of rights to use the Company's intellectual property as well as processing and technology fees.

The following table reports contract assets and liabilities as of:

	December 31, 2022	December 31, 2021	December 31, 2020	January 1, 2020
Contract assets				
Receivables	\$ 146,904	\$ 141,887	\$ 169,384	\$ 180,070
Deferred commissions	525,259	504,831	493,310	446,810
Customer incentives	117,000	-	-	-
Contract liabilities				
Deferred revenue	-	26,250	131,250	70,000

The Company pays commission to brokers or area developers upon the signing of initial franchise agreements. Commissions are considered contract assets on the balance sheets and are recognized on the straight-line basis over the seven-year estimated average franchisee contract life.

During 2022, the Company capitalized \$120,000 of customer incentive payments and amortized \$3,000 against franchise fee revenues.

The Company's contract liabilities consist of initial franchise fees received from new franchises for which pre-opening service performance obligations have not been satisfied. These fees are recorded as deferred revenue on the balance sheets.

Note 6 - Area Development

Area developers pay a fee for the right to develop an exclusive territory for the Office Pride brand. They are involved in the recruitment of single-unit franchises and share in the franchise royalty fee. They also provide hands-on support to franchisees in their area. Because of the on-going support area developers provide to franchises, they receive a share of the royalty generated from franchisee revenues located within their exclusive territory. For the years ended December 31, 2022, 2021, and 2020, royalties shared with area developers totaled \$1,404,752, \$1,788,004, and \$1,590,820, respectively.

During 2022 and 2021, the Company reacquired the area development rights of one and four geographic areas, respectively. The cost of each reacquired area was capitalized as an intangible asset and will be expensed over the remaining contractual term stated in each agreement, if any. The Company had 14, 15 and 19 area development agreements in place at December 31, 2022, 2021, and 2020, respectively. The Company is not currently planning to award any area development rights in the future.

Note 7 - Transactions with Related Parties

The Parent has three wholly owned subsidiaries: the Company, Office Pride Billing Services, LLC (OPBS), and Office Pride M&A Holdings, LLC (M&A). The Parent is closely held and transactions occur between the entities as described below.

Parent and Subsidiaries

The Parent provides personnel, management, and administrative services to the Company. In addition, the Parent has purchased a master insurance policy that includes the insuring of the Company. The Parent invoices the Company monthly for the use of the Parent's management and operating staff, insurance, benefits, and use of office space. The Parent also reimburses the Company for any shared expenses paid by the Company.

OPBS provides customer invoicing and collection services for the Company's franchisees. OPBS also remits royalties based on amounts collected from franchisees' customers to the Company on a recurring basis.

The following table summarizes activity between the Company, Parent, and OPBS for the years ended December 31:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Parent transactions			
Management fees	\$ 2,349,638	\$ 2,182,150	\$ 2,052,541
Medical insurance	120,000	120,000	30,000
Rent	96,000	96,000	96,000
General insurance	24,000	24,000	24,000
Administrative wages	115,186	11,035	-
Reimbursements	(54,691)	(192,000)	(161,000)
	<u>2,650,133</u>	<u>2,241,185</u>	<u>2,041,541</u>
OPBS transactions			
Billing expenses	<u>778,254</u>	<u>786,979</u>	<u>755,855</u>
Total management, administrative, and billing services fees	<u>\$ 3,428,387</u>	<u>\$ 3,028,164</u>	<u>\$ 2,797,396</u>

The following amounts are outstanding at December 31:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Royalties receivable from OPBS	<u>\$ 143,904</u>	<u>\$ 130,887</u>	<u>\$ 130,947</u>

Office Pride M&A Holdings, LLC (M&A)

The Parent established another subsidiary (M&A) during 2022 exclusively to assist with the transition of franchisees between owners. This subsidiary purchases franchises that are trying to sell, temporarily operates them, and eventually plans to sell them to new ownership. During the tenure of these purchased franchises, royalty fees continue to be paid to the Company. The following table summarizes royalties collected from franchises owned by M&A during the years ended December 31:

	2022	2021	2020
Royalties and other fees received from franchises owned by M&A	\$ 74,137	\$ -	\$ -

OPAD Tampa, LLC

OPAD Tampa, LLC is a franchisee of the Company and holds the right to operate in Palm Harbor, Florida. OPAD Tampa, LLC began on April 19, 2013, and is owned by individuals who also have ownership interests in the Parent. The Company did not receive royalties during 2022, 2021, and 2020 as OPAD Tampa, LLC has yet to exercise its right to operate the cleaning franchise. This franchise right terminated in December 2022.

OPAD Tampa, LLC owned area development rights for the years ended December 31, 2021 and 2020. The Company paid OPAD Tampa, LLC \$79,720, and \$123,498 for area developer shared royalty fees in 2021 and 2020, respectively. Refer to Note 6 for area development operations. This area development agreement was reacquired by the Company in 2021.

Note 8 - Distributions

The Board of Directors may, from time to time, distribute capital surplus of the Company. During the years ended December 31, 2022, 2021, and 2020, the Company distributed to the Parent \$1,550,000, \$1,850,000, and \$1,200,000, respectively.

Note 9 - Subsequent Events

The Company has evaluated subsequent events through April 14, 2023, the date which the financial statements were available to be issued.



Supplementary Information
December 31, 2022, 2021, and 2020

Faith Franchising Company, LLC

Faith Franchising Company, LLC
Schedules of General and Administrative Expenses
Years Ended December 31, 2022, 2021 and 2020

	2022	2021	2020
Initial Franchise Cost	\$ 6,546	\$ 14,662	\$ 23,191
Area Developer Repurchase Expense	-	358,430	-
Retreat Expense	186,781	160,451	41,673
Advertising	-	30	1,758
Awardsplaques	5,241	6,540	6,001
Bad Debt Expense	-	1,763	8,134
Bank Charges	1,814	1,451	1,860
Computer Expense	106,682	82,718	72,196
Contributions	6,600	-	1,000
Covid19 Expenses	(585)	(8,276)	39,225
Dues and Subscriptions	54,490	29,273	36,935
Employee Education/Training	-	946	2,053
Meals and Entertainment	36,490	18,683	7,066
Miscellaneous	6,026	7,480	10,933
Office Supplies	10,616	4,656	4,477
Postage and Freight	8,445	10,368	11,816
Professional Fees	113,601	165,411	71,525
Sales Expense	224,563	246,842	166,363
Seminars and Conventions	24,514	11,889	20,702
Technology	88,188	87,874	95,205
Telemarketing	-	9,000	1,127
Training	52,660	16,046	18,798
Travel	99,059	36,857	25,751
Property Tax	513	138	218
Uniforms	-	-	750
	<u>\$ 1,032,244</u>	<u>\$ 1,263,232</u>	<u>\$ 668,757</u>

EXHIBIT C
FAITH FRANCHISING COMPANY, LLC
AGENTS FOR SERVICE OF PROCESS
AND
STATE ADMINISTRATORS

CALIFORNIA

Commissioner of Financial
Protection & Innovation
Department of Financial
Protection & Innovation
State of California
320 West 4th Street, Suite 750
Los Angeles, California 90013
Telephone: 1-866-275-2677

HAWAII

Department of Commerce and
Consumer Affairs
Business Registration Division
King Kalakaua Building
335 Merchant Street
Room 203
Honolulu, HI 96813

ILLINOIS

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

INDIANA

Agent for Service of Process
Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204

State Administrator

Securities Commissioner
Indiana Securities Division
302 West Washington, Room E-
111
Indianapolis, Indiana 46204

MARYLAND

Agent to Receive Process
Securities Commissioner
Division of Securities
200 St. Paul Place
Baltimore, Maryland 21202-
2020

State Authority

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

MICHIGAN

Michigan Department of
Attorney General
Consumer Protection Division
Attention: Franchise Section
G. Mennen Williams Building,
First Floor
525 West Ottawa Street
Lansing, MI 48933

MINNESOTA

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

NEW YORK

Agent to Receive Process
Attn: New York Secretary of
State
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Fl.
Albany, New York 12231

State Administrator

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005

NORTH DAKOTA

North Dakota Securities
Department
State Capital, 5th Floor
600 East Boulevard Avenue
Bismarck, North Dakota 58505
Telephone: (701)328-4712

RHODE ISLAND

Rhode Island Department of
Business Regulation
Securities Section
1511 Pontiac Avenue
John O. Pastore Center
Building 69-1
Cranston, RI 02920

SOUTH DAKOTA

Department of Labor and
Regulation
Division of Insurance
Securities Regulation
124 South Euclid, Suite 104
Pierre, SD 57501

VIRGINIA

Agent to Receive Process
Clerk of the State Corporation
Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

State Administrator

State Corporation Commission
Division of Securities and Retail
Franchise
1300 East Main Street, 9th Floor
Richmond, Virginia 23219

WASHINGTON

Director of Department of
Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501

WISCONSIN

Division of Securities
Department of Financial
Institutions
4822 Madison Yards Way,
North Tower
Madison, Wisconsin 53705

EXHIBIT D LOCATIONS DIRECTORY
(AS OF 12/31/22)

ALABAMA

Office Pride of North
Alabama, Inc.
Lee Weeks
3411 Triana Blvd SW, Ste B
Huntsville, AL 35805
256-539-7775
Start Date: 10/03

OPAD Mobile, Inc.
Mark & Sonya Charles
4669 Blue Ribbon Drive
Milton, FL 32583
850-470-9000
Start Date: 08/04

Southern Hospitality LLC
Orlando & Tawanda Pitts
103B Spennryn Drive, Ste 102
Madison, AL 35758
256-542-3272
Start Date: 04/14
(2 outlets)

S,G,& A LLC
Sherry Adcock
& Gregory Steele
1453 Killingsworth Cove Rd.
Gurley, AL 35748
256-541-8229
Start Date: 07/16

Cooperbell Enterprises LLC
Najah Cooper Bell
1623 Montrose Drive
Tuscaloosa, AL 35405
205-239-5927
Start Date: 05/17

GBG Southern Services, Inc.
Steve & Ashley Winkle
520 Louise Ave
Muscle Shoals, AL 35661
256-810-8100
Start Date: 05/17
(2 outlets)

Sims Four Enterprise LLC
Van Sims
7859 Raleigh Drive
Trussville, AL 35173
205-910-1409
Start Date: 09/20

ARKANSAS

McClymonds Enterprises LLC
Scott & Cindy McClymonds
4451 W. Trillium Ln.
Fayetteville, AR 72704
479-263-0774
Start Date: 05/16

Amalynn Enterprises LLC
Amy & Eddie Rhodes
3498 Timberlake Drive
Royal, AR 71968
501-655-8333
Start Date: 08/18

CALIFORNIA

Cleaning for the King, Inc.
Steve Smith
720 East Center Avenue
Visalia, CA 93292
559-733-3856
Start Date: 02-08
(3 outlets)

Caring & Loving, Inc.
Larry Dickson
5980 N. Bonta Ave.
Fresno, CA 93723
559-270-7768
Start Date: 08/08

LC Design LLC
Lionel Cortez
32457 Grandview Street
Visalia, CA 93291
559-308-6040
Start Date: 12/09

Integrity Commercial
Cleaning Services, Inc.

Kevin Scott
12223 Highland Ave, #454
Rancho Cucamonga, CA 91739
909-376-9407
Start Date: 06/11

Master's Touch Janitorial, Inc.
Mitch & Kris Lareau
1027 West Murray Ave. #A
Visalia, CA 93291
559-651-1105
Start Date: 04/14

Richardson & Company LLC
James Richardson
6025 W. Pinedale Avenue
Fresno, CA 93722
559-275-6900
Start Date: 10/19

Advanced Maintenance
Environmental Network
Gerald Camacho
201 Groveland
Irvine, CA 92620
949-572-8817
Start Date: 05/20

Superior R & S Enterprise
Ricardo Cortes
3327 Owen Common
Fremont, CA 94536
510-453-3765
Start Date: 12/20

Good Steward Inc.
Moises Zapata
2828 W Brooke Ave
Visalia, CA 93291
559-458-1689
Start Date: 03/20

COLORADO

Legacy 5, Inc.
Douglas C. Lieber
8183 Lone Maple Lane
Lone Tree, CO 80121
303-790-4400
Start Date: 09/08

Detail Services, Inc.
Ted & Michele Struttmann
5740 N Carefree Cir,
Ste 120-154
Colorado Springs, CO 80917
719-574-0589
Start Date: 03/17

MaxAssets Inc.
Reid Christopherson
1502 N. Hancock Ave.
Colorado Springs, CO 80903
719-351-1604
Start Date: 10/20

CONNECTICUT

OPCT, LLC
Dustin Morgan
31 Parker Ave
West Haven, CT 06516
508-277-9954
Start Date: 02/22

DELAWARE

Ortega Family LLC
Wandy & Sandra Ortega
753-B Walker Rd
Dover, DE 19904
302-295-0559
Start Date: 05/22

FLORIDA

CJS Services, Inc.
Cindy Steward
115 Gettysburg Dr.
Pensacola, FL 32503
317-833-4050
Start Date: 06/00

Courtney Pride LLC
Jason & Simon Courtney
1201 N. Terragona St
Pensacola, FL 32501
850-430-4153
Start Date: 08/15

OPAD Pensacola, Inc.
Mark & Sonya Charles
4669 Blue Ribbon Drive
Milton, FL 32583
850-470-9000
Start Date: 10/02
(2 outlets)

Suncoast Spotless, LLC
1641 Chestnut Ct. E
Greg Carr/Ken Morris
Palm Harbor, FL 34684
727-373-8842
Start Date: 09/17
(2 outlets)

Acora Services LLC
Carlton Harris
1095 Military Trail #714
Jupiter, FL 33468
561-203-5833
Start Date: 01/16

Dust Dynasty LLC
Jim Crouch
8918 78th Ave. N.
Seminole, FL 33777
727-214-7561
Start Date: 06/14

Bluegrass Cleaning &
Maintenance LLC
Bill & Crystal Staggs
10241 Metro Pkwy, Unit 111
Fort Myers, FL 33966
239-368-1219
Start Date: 05/16

GSE Services LLC
Eduardo Rizzo
8950 SW 74th Ct, Ste 2201 A92
Miami, FL 33156
786-610-6122
Start Date: 01/19

KB Commercial Services LLC
Katie & Logan Blondell
401 West Belvedere Street
Lakeland, FL 33803
863-398-1813
Start Date: 06/18

Martin Bauer Corporation
Martin Bauer
4237 Salisbury Road, Ste 407
Jacksonville, FL 32225
904-515-6736
Start Date: 02/22

Egusquiza Office Solutions
Carlos Egusquiza
1240 Eucalyptus Dr Unit 3
Hollywood, FL 33021
317-679-3294
Start Date: 02/22

Rodriguez & Rosa, LLC
Keylani Rosa, Luis Rodriguez
2139 Marisol Loop
Kissimmee, FL 34743
407-785-7557
Start Date: 08/22

4 His Glory LLC
Warren Greer
1 Brooklyn Lane
Palm Coast, FL 32137
386-346-5776
Start Date: 11/22

GEORGIA

NGCC, LLC
 Jill & John R. Baugus Jr.
 1360 Union Hill Rd. BLG 3
 Ste. G
 Alpharetta, GA 30004
 770-549-8582
 Start Date: 02/12

JustGoJoe LLC
 Joe Forlenza
 674 Young Way
 Richmond Hill, GA 31324
 912-660-3508
 Start Date: 06/22

ILLINOIS

Servants Life, Inc.
 Douglas W. & Chelana Snell
 40 Charlene Lane
 Springfield, IL 62701
 217-931-2933
 Start Date: 09/12

INDIANA

R & R Commercial
 Cleaning Services, Inc.
 Robert & Stacey Murray
 701 W. Madison Street, Ste. J
 Franklin, IN 46131
 317-709-1693
 Start Date: 04/14

CKM Enterprises, LLC
 Chris & Kim Middleton
 15207 Herriman Blvd
 Noblesville, IN 46060
 317-774-5466
 Start Date: 05/09
 (3 outlets)

KTI, LLC
 Kelyvn Thompson
 11650 Olio Rd. Ste 1000-157
 Ste. 1000-157
 Fishers, IN 46037
 317-258-0542
 Start Date: 10/08

T&M Custom Clean, LLC
 Tina Boyd
 551 N. Lyons Avenue
 Indianapolis, IN 46222
 317-457-6110
 Start Date: 01/11

Divine Diligence, LLC
 Terrence Holland
 4929 Manning Road
 Indianapolis, IN 46228
 317-656-9498
 Start Date: 01/11

GK REMOC, LLC
 Frank Rotundo
 3330 Buckeye Run
 Fort Wayne, IN 46814
 260-615-8126
 Start Date: 10/11

HALA, LLC
 Harvey & Kia Harrington
 14376 Liverpool Place
 Fishers, IN 46037
 317-489-7118
 Start Date: 03/14

M&A Family Enterprises, Inc.
 Mylon & Ashley Albright
 1506 Amos Rd
 Shelbyville, IN 46176
 317-642-8565
 Start Date: 12/15
 (2 outlets)

Matthew 6:33 Inc.
 Scott F. Gipson
 1291 Airport Parkway
 Greenwood, IN 46143
 317-392-7735
 Start Date: 05/16

AA, LLC
 Armando Ascension
 1536 Trace Lane
 Indianapolis, IN 46260
 315-312-1996
 Start Date: 07/17

SSW LLC
 Stan Weaver & Beckie Overbey
 9402 N. Staton Drive
 Mooresville, IN 46158
 812-305-1020
 Start Date: 08/17

Psalm 51:10, LLC
 Thomas & Julie Brown
 365 Ridge Point Drive
 Carmel, IN 46032
 317-708-7406
 Start Date: 11/17
 (3 outlets)

BCS Services LLC
 Jose Bravo
 550 Congressional Blvd, Ste 115
 Carmel, IN 46032
 786-413-0559
 Start Date: 10/19

Marastell LLC
 Mark Worstell
 513 W. Madison Ave
 Chandler, IN 47610
 618-240-0817
 Start Date: 04/19

Dykhuizen Dynasty LLC
 Aaron & Grace Dykhuizen
 16122 Thunderbird Rd.
 Hometown, IN 46748
 260-418-3968
 Start Date: 06/20
 (2 outlets)

Sanitize Hooverwise LLC
 Tom & Julie Hoover
 10281 Springstone Rd.
 McCordsville, IN 46055
 317-526.0233
 Start Date: 12/20

Cassia LLC
 Frank Martinez
 6015 Cooper Rd.
 Indianapolis, IN 46228
 317-712-7683
 Start Date: 08/20

Visible Power LLC
Mike Straszheim
405 S. A Street
Richmond, IN 47374
765-238-9212
Start Date: 06/21
(2 outlets)

ASF Enterprises, LLC
Andrew & Stephanie
Farnsworth
855 Andalusian Court
Fort Wayne, IN 46818
Start Date: 11/22

IOWA

OP Cedar Rapids, LLC
3450 East Lake Rd, Ste 200
Palm Harbor, FL 34685
727-754-5990
Start Date: 07/22

OP Mason City, LLC
3450 East Lake Rd, Ste 200
Palm Harbor, FL 34685
727-754-5990
Start Date: 07/22

KANSAS

Good Faith Company, LLC
Lyle & Sara Squires
66 SW Pepper Tree Lane
Topeka, KS 66611
785-608-4450
Start Date: 04/17
(2 outlets)

ARA Services LLC
Brian & Stephanie McClune
2702 W 165th Terrace
Stilwell, KS 66085
314-565-0614
Start Date: 05/20

KENTUCKY

C&N Cleaning Service, Inc.
Patricia Newman
9312 Artis Way
Louisville, KY 40291
502-239-6310
Start Date: 10/99

Clean 4U Inc.
Michael & Vivian Harris
7317 S. Watterson Trail
Louisville, KY 40291
502-231-7847
Start Date: 06/02

I & A Cleaning Co., Inc.
Adolfo Rodriguez
9300 Shadow Bluff Ct.
Louisville, KY 40272
502-417-6559
Start Date: 08/06

OPOL, LLC

Matt Mays
10821 Plantside Dr, Ste 102
Louisville, KY 40299
937-533-3340
Start Date: 03/18

KMOP, LLC

Matt Mays & Mark Key
10821 Plantside Dr, Ste 102
Louisville, KY 40299
937-533-3340
Start Date: 03/18

OPET, LLC

Matt Mays
10821 Plantside Dr, Ste 102
Louisville, KY 40299
937-533-3340
Start Date: 03/18

Sanders S4 Enterprises Inc.
Todd Sanders
12907 Ridgemoor Dr.
Prospect, KY 40059
864-423-0544
Start Date: 04/21

Morris Property Solutions LLC
Nick & Morgan Morris
9905 Childress Rd
West Paducah, KY 42086
270-339-6210
Start Date: 07/21
(2 outlets)

Wedding Enterprises LLC
Drew & Ashley Wedding
5024 State Route 142
Philpot, KY 42366
270-570-4595
Start Date: 07/21
(2 outlets)

MAINE

The Manasseh Group LLC
Brian Paul
45 Robertson Blvd, Ste 6
Brewer, ME 04412
207-945-5533
Start Date: 04/14

MARYLAND

Kingdom Way, LLC
Ira Jackson
8794 Discovery Blvd
Walkersville, MD 21793
240-529-7505
Start Date: 08/13

Shepherd Waters Corp.
Erin Wheeler
2121 Baldwin Ave, Ste 1A
Crofton, MD 21114
301-633-1504
Start Date: 09/13
(2 outlets)

MICHIGAN

Shankle Shine 5:16 LLC
Jeremy & Katie Shankle
6204 Timberstone Way
Clarkston, MI 48346
248-762-7454
Start Date: 06/18

MISSOURI

1st Corey Enterprise LLC
Nathaniel & Timothy Corey
2406 Edison Ave, Apt 2B
Granite, IL 62040
217-994-0549
Start Date: 04/21

NEVADA

Lyons Services LLC
 Jeffrey Lyons
 3651 Lindell Road, Ste D544
 Las Vegas, NV 89103
 702-350-0714
 Start Date: 01/15

NEW HAMPSHIRE

Trapovi Holdings, Inc.
 David Betty
 28 Daniel Plummer Rd #12
 Goffstown, NH 03045
 603-966-7239
 Start Date: 12/16

NORTH CAROLINA

Clean Triad, LLC
 Richard Fuqua
 704 McWay Drive
 High Point, NC 27263
 919-672-6811
 Signed: 12/17

Encore Maintenance Corp
 Paul Taylor
 13016 Eastfield Rd
 Ste 200-261
 Huntersville, NC 28078
 704-699-6484
 Start Date: 10/18

Let's Play
 Heindrich Le Roux
 1009 Stanbury Drive
 Matthews, NC 28104
 980-267-0535
 Start Date: 10/21

OHIO

CCA Plus, Inc
 Mark & Michele Wages
 7052 Larkspur Lane
 Liberty Township, OH 45044
 513-651-9280
 Start Date: 11/04

E & S Quality Cleaning, Inc.
 Roger & Bonny Sprinkle
 4210 Stubbs Rd.
 Middletown, OH 45042

513-423-5249
 Start Date: 05/02

Covenant Commercial
 Cleaning, Inc.
 Nathan Tetteh
 15 Muriel Ct. Apt. E
 Fairfield, OH 45014
 513-290-8388
 Start Date: 10/03

A&K Solutions LLC
 Brenda Wells
 11427 Reed Hartman Hwy
 Blue Ash, OH 45241
 513-258-4360
 Start Date: 03/05

Shining Light Services LLC
 Jeremy & Liz Powers
 4212 Airport Rd, Ste 203
 Cincinnati, OH 45226
 513-638-8094
 Start Date: 03/17

OKLAHOMA

Titsworth Enterprises
 Adrian Titsworth
 12308 Rockwood Ave
 Oklahoma City, OK 73170
 405-863-7760
 Start Date: 08/18

4Scott Enterprises LLC
 Kevin G. Scott
 19626 E 37th Ct S
 Broken Arrow, OK 74014
 918-258-0114
 Start Date: 04/19

Heartily, LLC
 Marc Stewart
 1205 S. Air Depot Blvd
 Suite 250
 Midwest City, OK 73110
 405-541-8964
 Start Date: 03/21

PENNSYLVANIA

W.F. Jenkins Enterprises, LLC
 Walter F. Jenkins
 17 The Trillium
 Pittsburgh, PA 15238
 412-715-7303
 Start Date: 06/10

Davis Family United, LLC
 Paul & Brenda Davis
 16865 Sawmill Rd
 Stewartstown, PA 17363
 410-925-6027
 Start Date: 07/19

SOUTH CAROLINA

C.P. Industries, LLC
 Neal Coleman
 272 Palm Cover Way
 York, SC 29745
 704-996-8058
 Start Date: 10/08

SOUTH DAKOTA

K&A Top Notch Cleaning LLC
 Karie & Andre Truitt
 2693 Commerce Rd. Suite E
 Rapid City, SD 57702
 605-858-0235
 Start Date: 01/15

TENNESSEE

Harber's Cleaning Co, Inc
 Jennifer Harber
 231 N. Parkway Suite F
 Jackson, TN 38305
 731-736-1735
 Start Date: 07/04

RBCB, Inc.
 Chris Middleton
 6139 Preservation Dr. Ste. 3
 Chattanooga, TN 37416
 423-531-8311
 Start Date: 02/12

Professional Touch Cleaning
of the Tri-Cities LLC
Jason Sanders
1617 Pineola Ave.
Kingsport, TN 37664
423-367-9036
Start Date: 12/15

JCR Holdings Inc.
James Roeder
919 W. Main St, Suite L6
Hendersonville, TN 37075
615-486-9082
Start Date: 05/21

CNE Services LLC
Carl & Erika Mendelson
318 Nancy Lynn Ln, Ste 26
Knoxville, TN 37919
865-291-2365
Start Date: 09/17

Post Meridiem Technicians, Inc
Violin Turcan
6515 Clinton Hwy, Ste 215
Knoxville, TN 37912
865-247-9401
Start Date: 03/18

E B Cleaning Solutions LLC
David Yao
1215 Lee Brown Rd.
Bon Aqua, TN 37025
615-933-9923
Start Date: 04/18

OPAD Huntsville
Troy Hopkins
2905 Westcorp Blvd,
Suite 211
Huntsville, AL 35805

GBG Southern Services, Inc.
Steve & Ashley Winkle
520 Louise Ave
Muscle Shoals, AL 35661
256-810-8100
Start Date: 05/17

GBG Southern Services, Inc.
Steve & Ashley Winkle
520 Louise Ave
Muscle Shoals, AL 35661
256-810-8100
Start Date: 05/17

Pearlz of Great Price LLC
Lisa Pearl
130 Hillcrest Dr, Ste 103
Clarksville, TN 37043
615-713-6576
Start Date: 03/21

JA Commercial Services LLC
Jason Jain
522 Circle Dr NW
Pigeon Forge, TN 37863
864-235-0151
Start Date: 09/22

OPAD Huntsville, Inc.
Troy Hopkins
2905 Westcorp Blvd, Ste 211
Huntsville, AL 35805
256-929-6317
Start Date: 12/21

TEXAS

Kalkidan Building Services, LLC
Fanta Shibeshi
2828 Stonecreek Place
Round Rock, TX 78681
512-736-6158
Start Date: 04/08

Halbrook Enterprises, LLC
Bobby Halbrook
4504 Candy Lane, Ste A
Tyler, TX 75701
903-780-4995
Start Date: 12/14

Frandy's Enterprises, Inc.
Randy & Fran Rodebaugh
596 Towne Oaks Dr.
Tyler, TX 75701
903-216-5771
Start Date: 11/09

CQ Corp.
Steve Robbins
4159 Shady Valley Dr
Arlington, TX 76013
817-307-0977
Start Date: 03/15

STELOR, INC.
Lori, Chris, and Ryan Malone
4410 Dillon Lane, Suite 53
Corpus Christi, TX 78415
361-500-3013
Start Date: 06/15

J&A Mettler Services LLC
Jason Mettler
105 Evergreen Street
Longview, TX 75604
903-759-4921
Start Date: 07/17

ESCORP Enterprises LLC
Fernando & Armando
Escarcega
10200 Hempstead Rd, 1-P
Houston, TX 77019
405-880-4179
Start Date: 08/18

C & D Advisors, LLC
Dan Dworshak &
Eric Haynes
135 Pelican Cove Dr.
Rockwall, TX 75087
801-510-9477
Start Date: 08/19

Foreman Business Interests, LLC
Chris & Anita Foreman
330 Rayford Rd, Ste 757
Spring, TX 77386
903-245-3519
Start Date: 01/20

Carlos Galindo
Galindo Holdings, LLC
2824 Real Street #W4
Austin, TX 78723
361-746-2275
Start Date: 01/20

CK Dooley LLC
Carley & Keith Dooley
9010 Augusta St.
Beach City, TX 77523
832-984-0484
Start Date: 05/20

Triumph 465 Commercial
Services, LLC
Damaris & Phillip Coles
13535 Palatine Hill
San Antonio, TX 78253
210-269-9405
Start Date: 02/21

Titsworth Enterprises of
Texas, Inc.
Adrian Titsworth &
Tony Hooper
5900 Balcones Dr, Ste 100
Austin, TX 78731
469-213-3080
Start Date: 06/21

MapleCorp LLC
Chainomi & Adaeze Fregene
23311 Damasco Dr.
Richmond, TX 77406
832-628-5050
Start Date: 09/21

Armor Asset Management, LLC
Fredrick Lacy & Martin King
PO Box 12082
Longview, TX 75607
903-240-7027
Start Date: 08/22

VIRGINIA

OP by Sun Cross, LLC
Todd Jones
340 Cleveland Place, Ste A
Virginia Beach, VA 23462
757-675-6157
Start Date: 7/09
(3 outlets)

C & V Commercial Cleaning
Services LLC
Carlos Toro
728 Bluecrab Rd, Ste. G
Newport News, VA 23606
803-727-5005
Start Date: 08/11

Mike Jackson, LLC
Michael R. Jackson Jr.
2545 Bellwood Rd, Ste 112
Richmond, VA 23237
804-612-0063
Start Date: 09/11
(2 outlets)

Providence Commercial
Cleaning Solutions LLC
Roger & Sheri Marshall
11 West Williamsburg Rd
Sandston, VA 23150
804-326-9439
Start Date: 03/14

LCM Group, Inc.
Chris & Loyce Muuya
133 Jib Drive
Stafford, VA 22554
540-720-9802
Start Date: 05/16

Commercial Cleaners LLC
Daniel Carpenter
76 Charleston Place
Daleville, VA 24083
406-672-8951
Start Date: 01/21

Franchisees who have had an outlet terminated, cancelled, not renewed or have otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during our last fiscal year or have not communicated with us within 10 weeks of the date of this Disclosure Document:

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

ALABAMA

Watkins Express, Inc.
Joe Watkins
PO Box 2326
Daphne, AL 36526
251-767-7573

FLORIDA

Courtney Pride LLC
Jason & Simon Courtney
1201 N. Terragona St
Pensacola, FL 32501
850-430-4153

OPAD Tampa LLC
Todd Hopkins
3450 East Lake Rd, Ste 200
Palm Harbor, FL 34685
727-754-5990

MARYLAND

Walkersville Professional Cleaning Services, Inc.
Gary Chandler
8425 Grossnickle Ct
Walkersville, MD 21793
301-845-4072

OHIO

EVR Green, Inc.
Jill Clements
6524 Layhigh Rd
Okeana, OH 45053
513-800-3655

TENNESSEE

B&G Cleaning, Inc.
Beniamin & Georgeta Zaharie
2071 Cecil Johnson Rd.
Knoxville, TN 37921
865-254-9649

The Turcans, LLC
Petru Turcan
6515 Clinton Hwy, Ste 215
Knoxville, TN 37912
865-247-9401

TEXAS

TANK Ventures, Inc.
Tim Robinson
170 Christopher Cove
Kyle, TX 78640
512-368-9111

Waltfam, LLC
Reggie Walters
2002 Mossy Trail Dr.
Katy, TX 77450
281-740-3804

VIRGINIA

Gary Peterson
6430 Twin Falls Terrace
Virginia Beach, VA 23120
804-347-6284

TRANSFERS

DELAWARE

Eckels Family LLC
Mark Eckels
141 Hunters Run Blvd.
Felton, DE 19943
302-465-5224

FLORIDA

ST & VA Enterprises LLC
Shane Hughes
4237 Salisbury Rd, Ste 407
Jacksonville, FL 32225
954-451-6630

LJO Enterprises, Inc.
James & Laura Oates
4986 Ward Basin Rd.
Milton, FL 32583
850-313-0754

INDIANA

Riestererblend, Inc.
Dean & Nancy Riesterer
1515 Magnavox Way
Fort Wayne, IN 46804
260-403-5080

KENTUCKY

Rehoboth LLC
Helen Haile & Jerusalem Begashaw
8101 Amity Lane
Louisville, KY 40220
502-295-0451

MARYLAND

KPB Solutions LLC
Kim & Paul Burckhardt
1438 Liberty Rd., Ste 10A-172
Eldersburg, MD 21784
301-980-8679

TENNESSEE

OPAD Huntsville LLC
Troy Hopkins
2905 Westcorp Blvd., Ste 211
Huntsville, AL 35805

FRANCHISE AGREEMENTS SIGNED, BUT NEVER OPENED

Moore2Business LLC
Leland Moore
21706 Karankawa Cir, Apt 1
Fort Hood, TX 76544
254-415-9592

EXHIBIT E
FINANCING DOCUMENTS

PROMISSORY NOTE FOR INITIAL FRANCHISE FEE

\$ _____ Face Rate: _____% _____, 20__

1. FOR VALUE RECEIVED:

	Maker	Maker	Maker
Name:	_____	_____	_____
Address:	_____	_____	_____
	_____	_____	_____

(ADD ANOTHER SHEET IF NECESSARY)

(each “Maker”) promises to pay to the order of FAITH FRANCHISING COMPANY, LLC, a Delaware limited liability company having its principal place of business at 3450 East Lake Road, Suite 200, Palm Harbor, Florida 34685 (the “Payee), the principal sum of [FIRST MONTH’S INSTALLMENT] Dollars on [FIRST DUE DATE] and [NUMBER OF REMAINING INSTALLMENTS] successive [PERIOD] installments of [SUBSEQUENT INSTALLMENT AMOUNT] Dollars on the first (1st) day of each [PERIOD] thereafter until [DUE DATE FINAL PAYMENT], on which date the entire balance of principal unpaid shall be due and payable. The payment schedule attached hereto as Schedule “1” shall control.

2. Each installment, when paid, shall be credited first on interest then due and the remainder on principal, and interest shall thereupon cease upon the principal so credited.

3. The Maker grants Faith Franchising Company, LLC, or its affiliates, permission to deduct payment from moneys collected on its behalf.

4. The acceptance of the Payee, after any default hereunder, shall not operate to extend the time of payment of any amounts then remaining unpaid hereunder or constitute a waiver of any of the other rights of the Payee hereunder.

5. This note and all other obligations, direct or contingent, of the Maker or endorser hereof, to Payee shall become due and payable immediately, at the option of the holder of this note, without demand or notice, upon the happening to or by the Maker of any of the following events:

- 5.1. Calling of a meeting of creditors;
- 5.2. Voluntary or involuntary application for, or appointment of a receiver, issuance of a warrant of attachment or for distraint, or of a notice of tax lien entry of judgment;
- 5.3. Failure to pay, withhold, collect or remit any tax or tax deficiency when assessed or due;
- 5.4. Death or dissolution;
- 5.5. Making a bulk sale or giving notice of intent to do so;
- 5.6. Suspension, liquidation or termination of any **OFFICE PRIDE®** business owned wholly or partially by the Maker; connection with the execution of this note;

5.7. Transfer or attempted transfer of the **OFFICE PRIDE®** business purchased in

5.8. Failure, after demand, to furnish financial information or to permit inspection of any books or records, default in payment or performance of this note or any contractual or other obligation to, or acquired in any manner by the Payee; or

5.9. If at any time, in the sole opinion of the Payee, financial responsibility shall become impaired or unsatisfactory to the Payee.

6. If the Maker defaults on any payment of this note, the Maker agrees to pay all costs and expenses of collection, including reasonable attorneys' fees.

7. Whenever any one of the installments, the maturity of which has not been accelerated, is not paid on the date agreed to above, the undersigned individuals, jointly and severally, promise to pay to the holder hereof a penalty of [PENALTY] Dollars on any installment that has become due and remains unpaid for a period in excess of five (5) calendar days, provided that the aggregate of such fees collected in connection with this note shall not exceed the sum of [TOTAL PENALTY] Dollars. The Payee may assess penalties at its discretion.

8. The undersigned shall all be deemed a Maker and will be jointly, severally and individually liable as a Maker. The undersigned individuals personally guarantee payment of this Note.

9. The Maker, in any litigation arising out of or relating to this note in which a holder of the note is an adverse party, waives trial by jury and the right to interpose any defense, set-off or counterclaim of any nature or description.

10. This note is secured by a security agreement made between Maker and Payee and the holder is entitled to the benefits of the security described therein. Under certain conditions stated in the security agreement the entire principal of this note may become payable prior to the maturity stated herein. Maker shall do and sign whatever Payee reasonably requires to perfect Payee's security interest.

11. This note shall be construed in accordance with Florida law.

MAKER: _____
Signature Print Name

MAKER: _____
Signature Print Name

MAKER: _____
Signature Print Name

SCHEDULE 1 TO PROMISSORY NOTE FOR INITIAL FRANCHISE FEE

<u>Payment Number</u>	<u>Due Date</u>	<u>Amount</u>	<u>Balance Due</u>
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SECURITY AGREEMENT FOR INITIAL FRANCHISE FEE

1.

Name	Number and Street	
City or Town	County	State Zip Code

(the "Debtor") does hereby grant, for valuable consideration, receipt of which is hereby acknowledged, unto _____ a _____ corporation having its principal place of business at _____ (the "Secured Party") a security interest in the **OFFICE PRIDE®** franchise identified in the franchise agreement between the Secured Party and the Debtor, dated _____, 20____, and described in attached Schedule "A" and any and all accessions thereto (the "Collateral").

2. This security interest is granted as security for payment to the Secured Party, at its principal place of business, of indebtedness of _____ (\$_____) Dollars as provided in the note or notes of even date herewith and also any and all liabilities now existing or hereafter arising, including all costs and expenses incurred in the collection of the indebtedness and all future advances made by the Secured Party for taxes levied, insurance and repairs to or maintenance of the Collateral.

3. The Debtor warrants and agrees that:

A. The Debtor will use the Collateral solely for business purposes. The Debtor will give the Secured Party access to the Collateral at all times.

B. The Debtor will use the Collateral in accordance with the law, and will not permit removal of any of the Collateral from the state of _____;

C. Except for the security interest granted herein, the Debtor is the owner of the Collateral free from any prior lien, security interest or encumbrance and the Debtor will defend the Collateral against all claims and demands of any and all persons at any time claiming the same or any interest therein;

D. The Debtor will not sell, exchange, lease or otherwise dispose of any interest in the Collateral without the written consent of the Secured Party and will not permit lien, security interest, or encumbrance to attach to the Collateral;

E. No financing statement covering the Collateral is on file in any public office and at the request of the Secured Party, the Debtor will join with the Secured Party in executing one or more financial statements as per the Uniform Commercial Code of the state wherein the Collateral will be possessed by the Debtor in form satisfactory to the Secured Party and the Debtor will pay the cost of filing in all public offices wherever filing is deemed necessary by the Secured Party;

F. The Debtor will maintain the Collateral in good condition and repair; will maintain insurance on the Collateral against fire, theft, and such other hazards and in such form and amount as the Secured Party may require and for the benefit of the Debtor and the Secured Party as their interest shall appear; and will pay and discharge all taxes imposed on the Collateral. The Debtor assigns to the Secured

Party and authorizes the Secured Party to indorse any draft of the proceeds. Such policy or policies shall be delivered to the Secured Party and shall be with a company or companies satisfactory to the Secured Party; and

G. At its option, the Secured Party may discharge taxes, liens or other encumbrances at any time levied or placed on the Collateral, pay for insurance on the Collateral, and pay for the maintenance and preservation of the Collateral should the Debtor fail to do so. The Debtor agrees to reimburse the Secured Party on demand for any payments so made and until such reimbursement, the amount so paid by the Secured Party shall be added to the principal amount of the indebtedness.

4. Upon happening of any of the following events or conditions:

A. Default in the payment or performance of any of the obligations or of any covenant or liability contained or referred to in any note or notes evidencing any of the obligations secured hereunder, or in any other written agreements with the Secured Party;

B. Loss, theft, destruction, sale or encumbrance of or to the Collateral;

C. Death, dissolution, termination of existence, insolvency, business failure of the Debtor;

D. Appointment of a receiver of any part of the property of, assignment for the benefit of creditors by or the commencement of any proceedings under any bankruptcy or insolvency laws by or against the Debtor;

E. Termination, transfer or an attempt to transfer any of the rights of the Debtor under the **OFFICE PRIDE®** franchise agreement between the Secured Party and the Debtor, dated _____, 20____;

F. Any levy or seizure against the Debtor or any of the Collateral; or

G. If the Secured Party deems itself insecure, the Secured Party may, at its election, declare the entire amount of the indebtedness then outstanding due and payable at once and the Secured Party shall have all rights and remedies given by law including the right to enter any premises of the Debtor, without legal process and take possession of and remove the Collateral.

5. The Debtor agrees upon the request of the Secured Party, to assemble the Collateral, and to make it available at the place designated by the Secured Party.

6. Any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is mailed to the address of the Debtor shown in this agreement at least ten (10) calendar days before the time of such disposition. Sales for cash or on credit to an **OFFICE PRIDE®** franchisee, or at a public or private auction are all commercially reasonable means of disposition.

7. Discharge of any Debtor except for full payment, or any extension, forbearance, change of rate of interest, or acceptance, release or substitution of collateral or any impairment or suspension of the Secured Party's rights against a Debtor, or any transfer of the Debtor's interest to another, shall not affect the right of any other Debtor.

8. No waiver by the Secured Party shall be effective unless in writing, nor shall any such waiver operate as a waiver of any other default or of the same default on a subsequent occasion.

9. All rights of the Secured Party hereunder shall inure to the benefit of the heirs, executors, administrators, successors and assigns of the Debtor.

10. If there is more than one Debtor, their obligations hereunder shall be joint and several.

11. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof.

Debtor:

Executed this _____ day of _____, 20_____, individually and as an officer of _____ a _____ corporation.

_____	_____
Individually	Corporate Officer
_____	_____
Individually	Corporate Officer
_____	_____
Individually	Corporate Officer
_____	_____
Individually	Corporate Officer

Secured Party:

Executed and accepted as of the _____ day of _____, 20_____, in _____.

By: _____

its _____
duly authorized

SCHEDULE A TO SECURITY AGREEMENT FOR INITIAL FRANCHISE FEE

COLLATERAL

A security interest is granted in the following described franchise and any and all accessions thereto:

EXHIBIT F

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In addition, videos, training courses, podcasts, powerpoints, and more are part of our Operating Procedures Inventory.

EXHIBIT G

DISCLOSURE DOCUMENT ADDENDA AND FRANCHISE AGREEMENT RIDERS

RIDER TO STATE ADDENDUM
TO OFFICE PRIDE®
FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

FOR THE FOLLOWING STATES ONLY: CALIFORNIA, HAWAII, ILLINOIS, INDIANA,
MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND,
SOUTH DAKOTA, VIRGINIA, WASHINGTON, WISCONSIN

This Rider to State Addendum to OFFICE PRIDE® Franchise Disclosure Document (“FDD”) and Franchise Agreement is entered into by and between Faith Franchising Company, Inc., 3450 East Lake Road, Suite 200, Palm Harbor, (“we” or “us”) and _____ (“you”).

A. This Rider is being signed because you are a resident of one of the states listed in the heading of this Rider (the “Applicable Franchise Registration State”) or a non-resident who is acquiring franchise rights permitting the location of an **OFFICE PRIDE® BUSINESS** in the Applicable Franchise Registration State.

B. We and you have contemporaneously herewith entered into a Franchise Agreement (the “Agreement”) and wish to amend the FDD and Agreement as provided herein.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the FDD and Agreement is hereby amended as follows:

1. The following language is hereby added to the end of the FDD and Agreement: “No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.”

2. Except as provided in this Rider, the Agreement remains in full force and effect in accordance with its terms. This Rider shall be effective only to the extent that the jurisdictional requirements of the franchise law of the Applicable Franchise Registration State are met independently without reference to this Rider.

YOU: _____

WE: FAITH FRANCHISING COMPANY, LLC.

By _____

By _____

Title _____

Title _____

Date _____

Date _____

DISCLOSURE DOCUMENT ADDENDUM - CALIFORNIA

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT. SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, PRIOR TO A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

OUR WEBSITE HAS NOT BEEN APPROVED OR REVIEWED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT WWW.DFPI.CA.GOV.

SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

CALIFORNIA HAS A LABOR LAW KNOWN AS CALIFORNIA ASSEMBLY BILL 5 OR “AB5” THAT GOVERNS WHEN SOMEONE IS CLASSIFIED AS AN EMPLOYEE OR AN INDEPENDENT CONTRACTOR. YOUR FRANCHISE AGREEMENT STATES THAT YOU ARE AN INDEPENDENT CONTRACTOR. OFFICE PRIDE’S STRUCTURE AS A FRANCHISOR SUPPORTS YOUR INDEPENDENT CONTRACTOR STATUS IN THE FOLLOWING WAYS:

- YOU INDEPENDENTLY OWN AND OPERATE YOUR FRANCHISE AS A BUSINESS OWNER THROUGH A FRANCHISE AGREEMENT WITH US AS A FRANCHISOR.
- AS AN INDEPENDENTLY OWNED AND OPERATED FRANCHISED BUSINESS, YOU AND YOU ALONE EMPLOY YOUR STAFF; THEY ARE NOT EMPLOYEES OF THE FRANCHISOR.
- YOUR FRANCHISE IS ORGANIZED AS AN INDEPENDENT ENTITY (LIMITED LIABILITY COMPANY OR CORPORATION) AND NOT AS AN INDIVIDUAL.
- YOUR CUSTOMERS AND CUSTOMER CONTRACTS BELONG TO YOUR FRANCHISE BUSINESS AND NOT TO THE FRANCHISOR (THE FRANCHISOR DOES NOT HAVE A NATIONAL ACCOUNT PROGRAM).
- DECISIONS RELATED TO YOUR STAFF ARE MADE BY YOU, AS AN INDEPENDENTLY OWNED AND OPERATED FRANCHISEE, INCLUDING HIRING AND FIRING AS WELL AS SCHEDULING. WE WILL MAKE NO STAFF RELATED DECISIONS FOR YOU.
- AS A FRANCHISE OWNER, YOU ARE SOLELY RESPONSIBLE FOR YOUR STAFF’S TRAINING, DEVELOPMENT AND PERFORMANCE.

FOR FURTHER QUESTIONS AND INFORMATION REGARDING CALIFORNIA’S AB5 RULE, YOU SHOULD RESEARCH AND CONSULT WITH AN ATTORNEY REGARDING CALIFORNIA’S LABOR LAWS.

ITEM 3

ITEM 3 IS AMENDED TO PROVIDE THAT NEITHER WE NOR ANY OTHER PERSON IDENTIFIED IN ITEM 2 IS SUBJECT TO ANY CURRENTLY EFFECTIVE ORDER OF ANY NATIONAL SECURITIES ASSOCIATION OR NATIONAL SECURITIES EXCHANGE, AS DEFINED IN THE SECURITIES EXCHANGE ACT OF 1934, 15 U.S.C.A. 78A ET SEQ., SUSPENDING OR EXPELLING SUCH PERSON FROM MEMBERSHIP IN SUCH ASSOCIATION.

ITEM 6

THE HIGHEST INTEREST RATE ALLOWED BY LAW IN CALIFORNIA IS 10% ANNUALLY.

ITEM 17

THE FRANCHISE AGREEMENT REQUIRES THAT ALL DISAGREEMENTS BE SETTLED BY ARBITRATION IN FLORIDA, WITH THE COSTS BEING BORNE BY THE NON-PREVAILING PARTY. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR HOME STATE. YOU ARE ENCOURAGED TO CONSULT PRIVATE LEGAL COUNSEL TO DETERMINE THE APPLICABILITY OF CALIFORNIA AND FEDERAL LAWS (SUCH AS BUSINESS AND PROFESSIONS CODE SECTION 20040.5, CODE OF CIVIL PROCEDURE SECTION 1281, AND THE FEDERAL ARBITRATION ACT) TO ANY PROVISIONS OF A FRANCHISE AGREEMENT RESTRICTING VENUE TO A FORUM OUTSIDE OF CALIFORNIA.

THE FRANCHISE AGREEMENT REQUIRES APPLICATION OF THE LAWS OF FLORIDA. THIS PROVISION MAY NOT BE ENFORCEABLE UNDER CALIFORNIA LAW.

CALIFORNIA BUSINESS AND PROFESSIONS CODE SECTIONS 20000 THROUGH 20043 PROVIDE RIGHTS TO YOU CONCERNING TERMINATION, TRANSFER OR NON-RENEWAL OF A FRANCHISE. IF THE FRANCHISE AGREEMENT CONTAINS A PROVISION THAT IS INCONSISTENT WITH THE LAW, THE LAW WILL CONTROL.

IF THE FRANCHISE AGREEMENT PROVIDES FOR TERMINATION UPON BANKRUPTCY, THIS PROVISION MAY NOT BE ENFORCEABLE UNDER FEDERAL BANKRUPTCY LAW (11 U.S.C.A. SEC. 101 ET SEQ.).

THE FRANCHISE AGREEMENT CONTAINS A COVENANT NOT TO COMPETE WHICH EXTENDS BEYOND THE TERMINATION OF THE FRANCHISE. THIS PROVISION MAY NOT BE ENFORCEABLE UNDER CALIFORNIA LAW.

IF THE FRANCHISE AGREEMENT CONTAINS A LIQUIDATED DAMAGES CLAUSE, UNDER CALIFORNIA CIVIL CODE SECTION 1671, CERTAIN LIQUIDATED DAMAGES CLAUSES ARE UNENFORCEABLE.

YOU MUST SIGN A GENERAL RELEASE IF YOU RENEW OR TRANSFER YOUR FRANCHISE. THIS PROVISION MAY BE UNENFORCEABLE UNDER CALIFORNIA LAW. CALIFORNIA CORPORATIONS CODE 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE 31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE 20000 THROUGH 20043).

THE FRANCHISE AGREEMENT CONTAINS A WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL PROVISION. THESE PROVISIONS MAY NOT BE ENFORCEABLE UNDER CALIFORNIA LAW.

FRANCHISE AGREEMENT RIDER - CALIFORNIA

THIS ADDENDUM PERTAINS TO FRANCHISES SOLD IN THE STATE OF CALIFORNIA AND IS FOR THE PURPOSE OF COMPLYING WITH CALIFORNIA STATUTES AND REGULATIONS. NOTWITHSTANDING ANYTHING THAT MAY BE CONTAINED IN THE BODY OF THE AGREEMENT TO THE CONTRARY, THE AGREEMENT IS AMENDED AS FOLLOWS:

1. CALIFORNIA BUSINESS AND PROFESSIONS CODE SECTIONS 20000 THROUGH 20043, THE CALIFORNIA FRANCHISE RELATIONS ACT, PROVIDE RIGHTS TO THE FRANCHISEE CONCERNING TERMINATION, TRANSFER OR NON-RENEWAL OF A FRANCHISE. IF THE FRANCHISE AGREEMENT CONTAINS A PROVISION THAT IS INCONSISTENT WITH THE LAW, THE LAW WILL CONTROL.

2. SECTIONS 15.4 AND 15.5 OF THE FRANCHISE AGREEMENT CONTAINS A COVENANT NOT TO COMPETE WHICH EXTENDS BEYOND THE TERM OF THE FRANCHISE. THIS PROVISION MAY NOT BE ENFORCEABLE UNDER CALIFORNIA LAW.

3. SECTION 17.12 OF THE FRANCHISE AGREEMENT REQUIRES BINDING ARBITRATION. THE ARBITRATION WILL OCCUR IN PALM HARBOR, FLORIDA.

4. SECTION 17.23 (WAIVER OF PUNITIVE DAMAGES) OF THE FRANCHISE AGREEMENT MAY NOT BE ENFORCEABLE UNDER CALIFORNIA LAW.

5. NO DISCLAIMER, QUESTIONNAIRE, CLAUSE, OR STATEMENT SIGNED BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL BE CONSTRUED OR INTERPRETED AS WAIVING ANY CLAIM OF FRAUD IN THE INDUCEMENT, WHETHER COMMON LAW OR STATUTORY, OR AS DISCLAIMING RELIANCE ON OR THE RIGHT TO RELY UPON ANY STATEMENT MADE OR INFORMATION PROVIDED BY ANY FRANCHISOR, BROKER OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR THAT WAS A MATERIAL INDUCEMENT TO A FRANCHISEE'S INVESTMENT. ANY STATEMENTS OR REPRESENTATIONS SIGNED BY A FRANCHISEE PURPORTING TO UNDERSTAND ANY FACT OR ITS LEGAL EFFECT SHALL BE DEEMED MADE ONLY BASED UPON THE FRANCHISEE'S UNDERSTANDING OF THE LAW AND FACTS AS OF THE TIME OF THE FRANCHISEE'S INVESTMENT DECISION. THIS PROVISION SUPERSEDES ANY OTHER OR INCONSISTENT TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

6. IN ALL OTHER RESPECTS, THE FRANCHISE AGREEMENT WILL BE CONSTRUED AND ENFORCED ACCORDING TO ITS TERMS.

EACH OF THE UNDERSIGNED HEREBY ACKNOWLEDGES HAVING READ AND UNDERSTOOD THIS ADDENDUM AND CONSENTS TO BE BOUND BY ALL OF ITS TERMS.

FAITH FRANCHISING COMPANY, INC.

YOU: _____

By: _____

By: _____

Its: _____

Its: _____

DISCLOSURE DOCUMENT ADDENDUM - HAWAII

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

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

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

Registered agent in the state authorized to receive service of process:

Commissioner of Securities
P.O. Box 40
Honolulu, Hawaii 96810

DISCLOSURE DOCUMENT ADDENDUM - ILLINOIS

Item 17, Additional Disclosures. The following statements are added to Item 17:

Illinois law governs the Franchise Agreement.

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

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

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

FRANCHISE AGREEMENT RIDER – ILLINOIS

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Illinois law governs the Franchise Agreement.

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

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

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR: _____

FRANCHISEE (Print Name)

By: _____

By: _____

Title: _____

Title: _____

DISCLOSURE DOCUMENT ADDENDUM - MARYLAND

The following information applies to franchises and franchisees subject to Maryland statutes and regulations. The item numbers correspond with those in the main body:

1. Item 17

Our termination of the franchise agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).

2. Item 17

Any claims under the Maryland Franchise Disclosure law may be brought in the State of Maryland.

3. Item 17

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

4. Item 17

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

FRANCHISE AGREEMENT RIDER – MARYLAND

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

Nothing in the Franchise Agreement prevents the franchisee from bringing a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Nothing in the Franchise Agreement operates to reduce the 3-year statute of limitations afforded to a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Further, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The Federal Bankruptcy laws may not allow the enforcement of the provisions for termination upon bankruptcy of the franchisee.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR: _____

FRANCHISEE (Print Name)

By: _____

By: _____

Title: _____

Title: _____

DISCLOSURE DOCUMENT ADDENDUM - MINNESOTA

1. The following legend is added to the Risk Factors on the Cover Page:

MINN. STAT. §80C.21 AND MINN. RULE 2860.4400J PROHIBIT FRANCHISORS FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. IN ADDITION, NOTHING IN THE DISCLOSURE DOCUMENT OR AGREEMENT CAN ABROGATE OR REDUCE ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR YOUR RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION.

2. Item 6 additional disclosure: NSF checks are governed by Minn. Stat. 604.113, which puts a cap of \$30 on service charges.

3. The second sentence of the fourth paragraph of Item 13 is replaced with the following sentence:

Franchisor will protect your right to use Franchisor's Marks. The Minnesota Department of Commerce requires Franchisors to indemnify Franchisees against liability to third parties resulting from claims by third parties that the Franchisee's use of the Franchisor's marks infringes upon the trademark rights of the third party.

4. The following statement is added at the end of Item 17(c) and 17(m):

(Any release executed in connection herewith shall not apply to any claims that may arise under the Minnesota Franchise Act.)

5. The following statement is added at the end of Item 17:

Minnesota law provides a Franchisee with certain termination and nonrenewal rights. Minn. Stat. Sc. 80C.14 Subd. 3, 4 and 5 require, except in certain specified cases, that a Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the applicable agreement.

FRANCHISE AGREEMENT RIDER - MINNESOTA

Notwithstanding anything to the contrary in the Franchise Agreement to which this Rider is attached, the following terms and conditions shall control:

Any release executed in connection herewith shall not apply to any claims that may arise under the Minnesota Franchise Act.

Franchisor will protect Franchisee’s right to use Franchisor’s Marks. The Minnesota Department of Commerce requires Franchisors to indemnify Franchisees against liability to third parties resulting from claims by third parties that the Franchisee’s use of the Franchisor’s Marks infringes upon the trademark rights of the third party.

Minnesota law provides Franchisee with certain termination and nonrenewal rights. Minn. Stat. Sec. 80C.14 Subd. 3, 4 and 5 require, except in certain specified cases, that Franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for nonrenewal of this Agreement.

Minn. Stat. §80C.21 and Minn. Rule 2860.4400j prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in this Agreement can abrogate or reduce any of Franchisee’s rights as provided for in Minnesota statutes, chapter 80c, or Franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Any provision acting as a waiver of jury trials, is deleted.

FRANCHISOR: _____

_____ **FRANCHISEE (Print Name)**

By: _____

By: _____

Title: _____

Title: _____

DISCLOSURE DOCUMENT ADDENDUM – NORTH DAKOTA

Item 17

Pursuant to the North Dakota Franchise Investment Law, any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota is void, provided that the Franchise Agreement may provide for arbitration in a forum outside of North Dakota.

Any general release the franchisee is required to assent to is not intended to nor shall it act as a release, estoppel or waiver of any liability Faith Franchising Company, LLC may have incurred under the North Dakota Franchise Investment Law.

Covenants not to compete upon termination or expiration of the franchise agreements are generally not enforceable in the State of North Dakota, except in certain instances as provided by law.

The Franchise Agreement includes a waiver of exemplary and punitive damages. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Disclosure Document and Franchise Agreement.

The Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by Faith Franchising Company, LLC in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

The Franchise Agreement requires the franchisee to consent to a waiver of trial by jury. This provision shall not in any way abrogate or reduce any rights of the franchisee as provided for in the North Dakota Franchise Investment Law, including the right to a trial by jury and the right to submit matters to the jurisdiction of the Courts of North Dakota.

FRANCHISE AGREEMENT RIDER - NORTH DAKOTA

Notwithstanding anything to the contrary in the Franchise Agreement to which this Rider is attached, the following terms and conditions shall control:

Any release executed in connection herewith shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.

Covenants not to compete are generally considered unenforceable in the State of North Dakota.

The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law.

The choice of law other than the state of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law.

The requirement that arbitration be held in Franchisor's home state, may not be enforceable under the North Dakota Franchise Investment Law. The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law.

FRANCHISOR: _____

_____ **FRANCHISEE (Print Name)**

By: _____

By: _____

Title: _____

Title: _____

DISCLOSURE DOCUMENT ADDENDUM – RHODE ISLAND

Item 17

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

FRANCHISE AGREEMENT RIDER – RHODE ISLAND

Notwithstanding anything to the contrary in the Franchise Agreement to which this Rider is attached, the following terms and conditions shall control:

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

The above language has been included in this Disclosure Document as a condition to registration. Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all choice of law provisions, are fully enforceable. Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

FRANCHISOR: _____

_____ **FRANCHISEE (Print Name)**

By: _____

By: _____

Title: _____

Title: _____

DISCLOSURE DOCUMENT ADDENDUM – VIRGINIA

Item 17 In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Faith Franchising Company, LLC for use in the Commonwealth of Virginia shall be amended as follows:

“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 ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

DISCLOSURE DOCUMENT ADDENDUM – WASHINGTON

Pursuant to a requirement by the Securities Division, the collection of all initial fees and payments will be deferred until the franchisor has fulfilled its initial pre-opening obligations and the franchisee is open for business.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury, trial may not be enforceable.

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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.

FRANCHISE AGREEMENT RIDER – WASHINGTON

Notwithstanding anything to the contrary in the Franchise Agreement to which this Rider is attached, the following terms and conditions shall control:

Article 3.1 of the Franchise Agreement is modified as follows: Pursuant to a requirement by the Securities Division, the collection of all initial fees and payments will be deferred until the franchisor has fulfilled its initial pre-opening obligations and the franchisee is open for business.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury, trial may not be enforceable.

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The undersigned does hereby acknowledge receipt of this addendum.

FRANCHISOR: _____

FRANCHISEE (Print Name)

By: _____

By: _____

Title: _____

Title: _____

FRANCHISE AGREEMENT RIDER - WISCONSIN

Notwithstanding anything to the contrary in the Franchise Agreement to which this Rider is attached, the following terms and conditions shall control:

The conditions under which the Franchise Agreement can be terminated or not renewed may be affected by the Wisconsin Fair Dealership Law, Wisconsin Statutes 1981-82, Title XIV-A, Chapter 135.

FRANCHISOR: _____

_____ **FRANCHISEE (Print Name)**

By: _____

By: _____

Title: _____

Title: _____

EXHIBIT H

COMPLIANCE CERTIFICATION

FRANCHISEE COMPLIANCE CERTIFICATION

THIS COMPLIANCE CERTIFICATION DOES NOT APPLY TO CANDIDATES LOCATED IN, BUSINESSES TO BE LOCATED IN ANY OF THE FOLLOWING FRANCHISE REGISTRATION STATES: CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI.

You are preparing to enter into an Agreement for the establishment and operation of a franchised business. Please carefully review each of the following questions and statements and provide honest and complete responses to each.

1. I received the Franchise Disclosure Document _____, 20 ____, which is at least 14 days BEFORE I signed any agreement or paid any money – True or False?

True _____ False _____

2. Have you received and personally reviewed the franchise agreement and all of its exhibits and any related agreement(s) attached to it?

Yes _____ No _____

3. Do you understand all of the information contained in the franchise agreement and all of its exhibits and related agreement(s) provided to you?

Yes _____ No _____

If no, what part(s) of these documents do you not understand? (Attach additional pages, if necessary.)

4. Have you received and personally reviewed our Franchise Disclosure Document that was provided to you?

Yes _____ No _____

5. Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?

Yes _____ No _____

6. Do you understand all of the information contained in the Franchise Disclosure Document and any state-specific Addendum to the document?

Yes _____ No _____

If No, what parts of the Franchise Disclosure Document do you not understand? (Attach additional pages, if necessary.) _____

7. Have you conducted an independent investigation of the business venture contemplated by the franchise agreement and discussed the benefits and risks of establishing and operating this franchised business with an attorney, accountant, or other professional advisor?

Yes _____ No _____

If No, do you wish to have more time to do so?

Yes _____ No _____

8. Did you review any books and records of any existing franchise in connection with the potential purchase of this franchise, and do you understand that any information you acquire from other franchisees relating to their sales, profits or cash flows does not constitute information obtained from us, nor do we make any representation as to the accuracy of any such information?

Yes _____ No _____

If yes, whose? _____

9. Except for information reviewed in connection with the existing franchise described in the preceding question or as included in Item 19 of the Franchise Disclosure Document:

a. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a franchised business that is contrary to the information contained in the Franchise Disclosure Document?

Yes _____ No _____

b. Has any employee or other person speaking on our behalf made any statement or promise concerning the total amount of revenue the franchised business will generate, that is contrary to the information contained in the Franchise Disclosure Document?

Yes _____ No _____

10. Has any employee or other person speaking on our behalf made any statement or promise regarding the costs you may incur in operating the franchised business that is contrary to or different from, the information contained in the Franchise Disclosure Document?

Yes _____ No _____

11. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a franchised business?

Yes _____ No _____

12. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes _____ No _____

13. Have you entered into any binding agreement with us, or with anyone representing himself as us, concerning the purchase of this franchise prior to today?

Yes _____ No _____

14. Have you paid any money to us, or with anyone representing himself as us, concerning the purchase of this franchise prior to today?

Yes _____ No _____

15. Do you recognize that, like any other business, the nature of the business conducted by an OFFICE PRIDE® business may evolve and change over time, that an investment in an OFFICE PRIDE® business involves business risks and that your business abilities and efforts are vital to the success of the venture?

Yes _____ No _____

16. If you have answered “Yes” to any one of questions 9-14, or if you answered “No” to question 15, please provide a full explanation of each answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered “no” to each of questions 9-14 or “yes” to question 15, please leave the following lines blank.

17. I signed the Agreement _____, 20_____, and acknowledge that no Agreement is effective until signed and dated by us and consideration is collected by us.

Please understand that your responses to these questions are important to us and that we will rely on them.

By signing this compliance certification, you are representing that you have responded truthfully to the above questions.

NOTE: All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or the Maryland Franchise Registration & Disclosure Law.

PROSPECTIVE FRANCHISEE

_____, 20_____

*This Questionnaire does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

EXHIBIT I
STATE EFFECTIVE DATES

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

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

STATE	EFFECTIVE DATE
CALIFORNIA:	[PENDING]
HAWAII:	SEE SEPARATE FDD
ILLINOIS:	[PENDING]
INDIANA:	[PENDING]
MARYLAND:	[PENDING]
MICHIGAN:	April 18, 2023
MINNESOTA:	[PENDING]
NEW YORK:	April 26, 2023
NORTH DAKOTA:	[PENDING]
RHODE ISLAND:	April 3, 2023
SOUTH DAKOTA:	[PENDING]
VIRGINIA:	April 21, 2023
WASHINGTON:	[PENDING]
WISCONSIN:	April 14, 2023

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT J
RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Faith Franchising Company, LLC offers you a franchise, it must provide this Disclosure Document to you 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.

Iowa and New York require that Faith Franchising Company, LLC gives you this 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 requires that Faith Franchising Company, LLC gives you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Faith Franchising Company, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit C.

The franchisor is Faith Franchising Company, LLC, 3450 East Lake Road, Suite 200, Palm Harbor, Florida 34685. Its telephone number is (727) 754-5990.

Issuance Date: April 14, 2023

The name, principal business address and telephone number of each franchise seller offering the franchise:

Faith Franchising Company, LLC authorizes the respective state agencies identified on Exhibit C and the agent for service of process identified in Item 1 to receive service of process for it.

I have received a Franchise Disclosure Document dated April 14, 2023. This Disclosure Document included the following Exhibits: A-1) Franchise Agreement, A-2) Sample General Release, A-3) Form of Renewal Amendment to Franchise Agreement, A-4) Form of SBA Addendum to Franchise Agreement, A-5 Form Conversion Addendum, B) Financial Statements, C) Agents for Service of Process and State Administrators, D) Locations Directory, E) Financing Documents, F) Methods of Operations – Table of Contents, G) Disclosure Document Addenda and Franchise Agreement Riders, H) Compliance Certification, I) State Effective Dates, and J) Receipts.

Date: _____

Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone () _____ Zip _____

Date: _____

Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone () _____ Zip _____

Copy for Franchisee

EXHIBIT J
RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Faith Franchising Company, LLC offers you a franchise, it must provide this Disclosure Document to you 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.

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Date: _____

Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone () _____ Zip _____

Date: _____

Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone () _____ Zip _____

Copy for Faith Franchising Company, LLC