FRANCHISE DISCLOSURE DOCUMENT

BIDEXECS FRANCHISING, LLC
a Virginia limited liability company
13800 Coppermine Road, Suite 100
Herndon, Virginia 20171
(703) 249-9353
www.bidexecs.com
www.bidexecs.com/franchising

As a BidExecs franchisee, you will operate a franchised business that supports organizations in responding to requests for proposal and other contract opportunities under the "BidExecs" trade name and business system.

The total initial investment necessary to begin operation of a BidExecs franchised business ranges from $57,750 to $86,250. This includes $40,500 that must be paid to the franchisor or its 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 or grant. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive this disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Reena Bhatia, CEO at 13800 Coppermine Road, Suite 100, Herndon, Virginia 20171 and reena@bidexecs.com.

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

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

Your state also may have other laws on franchising. Ask your state agencies about them.

Issuance Date: September 22, 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 E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit 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 BidExecs Franchisee? Business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other Franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a BidExecs Franchisee?	Item 20 or Exhibit E lists current and former Franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising Generally

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

3. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

4. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your 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.

NOTICE REQUIRED BY THE STATE OF MICHIGAN

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

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 the 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 terms except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee’s inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (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 or under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor’s then-current reasonable qualifications or standards.

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

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

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

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

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise Unit
525 W. Ottawa Street
G. Mennen Williams Building, 1st Floor
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

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

TABLE OF CONTENTS

EXHIBITS

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this franchise disclosure document ("**Disclosure Document**"), we will use the words "we," "us" and "our" when referring to BidExecs Franchising, LLC ("**BidExecs**") and its subsidiaries. We will use the words "you" and "your" when referring to the individual or business entity which acquires a franchise to operate a Franchised Business. The words "you" and "your" do not include any individual or business entity which owns an interest in you. We may require all individuals and business entities which own an interest in you to guarantee your obligations to us.

The Franchisor

We are a Virginia limited liability company formed on January 13, 2020. Our principal business address is 13800 Coppermine Road, Suite 100, Herndon, Virginia 20171. We began offering Franchised Business franchises in the United States in 2020. In the past, we offered franchises for Area Representative Businesses (defined below) beginning in 2020 pursuant to a separate disclosure document. We do not currently offer new franchises for Area Representative Businesses, but may do so again in the future. As of December 31, 2022, we do not have any Area Representatives. We do not do business under any name other than our corporate name and the name "BidExecs." We have not offered franchises in any other line of business. We do not conduct any other business activities apart from offering and selling franchises for, and supporting, BidExecs Businesses and Area Representative Businesses (defined below). Our agents for service of process are listed in Exhibit A of this Disclosure Document.

Parents, Predecessors and Affiliates

Our parent, BidExecs Holding Company, Inc. ("**BidExecs Holding**"), is a Virginia corporation formed on January 13, 2020. Its principal business address is 13800 Coppermine Road, Suite 100, Herndon, Virginia 20171. BidExecs Holding has not offered franchises in this or any other line of business and does not conduct any other business activities.

Our affiliate, BidExecs-IP, LLC ("**BidExecs-IP**"), is a Virginia limited liability company formed on November 14, 2019. Its principal business address is 13800 Coppermine Road, Suite 100, Herndon, Virginia 20171. BidExecs-IP has granted us a license to use and to grant to third parties the right to use, the System (defined below) and the Marks (defined below). BidExecs-IP has not offered franchises in this or any other line of business and does not conduct any other business activities.

Our affiliate, ProposalHelper LLC ("**ProposalHelper**") is a Virginia limited liability company formed on September 17, 2012. Its principal business address is 13800 Coppermine Road, Suite 100, Herndon, Virginia 20171. ProposalHelper has operated since 2010 the company-owned outlet identified in Item 20, which provides a variety of proposal writing, consulting, and management services to individuals and business entities seeking to grow their business. The services that ProposalHelper performs are generally offered online and may be similar to the services that will be provided by BidExecs Businesses. ProposalHelper and Smart Research Global (SRG) may provide business development and proposal delivery solutions to our franchisees for a fee. ProposalHelper has not offered franchises in this or any other line of business and does not conduct any other business activities.

Other than described above, we have no parents, predecessors, or affiliates that offer franchises in any line of business or sell goods or services to you.

The Franchised Business

Franchise Agreement

We offer to qualified entities BidExecs Franchise Agreements ("**Franchise Agreements**") for the establishment and operation of franchised businesses (each, a "**BidExecs Business**" or "**Franchised Business**"). The form of Franchise Agreement that we intend to enter into with you, should you and we mutually agree to enter into a franchise relationship, is attached to this Disclosure Document as Exhibit C.

Your Franchised Business will operate according to the "**BidExecs System**" or "**System**," the distinguishing characteristics of which include, among other things, BidExecs' proprietary products; standards, specifications, policies and procedures for business development, consulting and management; quality, distinctiveness and uniformity of services and products; standards, specifications, policy and procedures for identifying and responding to contract opportunities; software and computer programs, client management procedures; BidExecs' training program; and advertising and promotional programs, all as more particularly described and designated in the Manuals (defined below). We identify the System by certain licensed trade names, service marks, trademarks, logos, and emblems, including the name and mark "BidExecs." Your Franchised Business will operate under the mark "BidExecs" and other associated marks that we now and in the future may designate as part of the System (collectively, the "**Marks**").

BidExecs Businesses

BidExecs Businesses support private and public sector individuals and business organizations in, among other things, responding to requests for proposal and other contract opportunities by providing, for example, the following types of services: business development, capture consulting, proposal management services, proposal development, editing, graphic design, desktop publishing and quality and compliance services, and related services and products that we designate or approve under the System and the Marks ("**BidExecs Services and Products**"), and which feature proprietary tools to provide end-to-end services in the contracting sector.

BidExecs Businesses offer one or two "**tracks**" of services to their clients ("**Tracks")**. One track focuses on business development related services and primarily consists of business consulting services, business development, and capture support. The other track focuses on proposal management related services and primarily consists of proposal management, proposal coordination, proposal editing, outline services, compliance matrix for reviewers, proposal schedule, production checklist, technical solutioning, technical writing, independent content review, graphics design, desktop publishing, and production support. Franchisees must choose one Track to start their BidExecs Business. The Track that your Franchised Business will offer will be designated by you and us in the Franchise Agreement. Franchisees can petition to offer a separate Track of business. BidExecs Business franchisees are defined in this Disclosure Document as "**Franchisees**."

The Franchise Agreement grants you the right to operate a Franchised Business under the System and using the Marks, as the System and Marks may be changed from time to time at and from an agreed-upon specified office premises (the "**Franchisee Office**"). If, at the time you enter into the Franchise Agreement, you do not have a Franchisee Office; you must lease, sublease, or acquire a site to operate the Franchised Business, subject to our approval. The Franchise Agreement will designate a non-exclusive marketing area (the "**Designated Marketing Area**"). You will provide the BidExecs Services and Products only to prospective clients and clients located in the Designated Marketing Area unless approved by us in writing. Franchised Businesses typically will be located close to commercial or government agency hubs, all of which may be in either urban or suburban areas.

You must operate the Franchised Business according to our standards and procedures, as set out in our confidential Brands Standards Manuals ("**Manuals**"). The Manuals are our written or verbal directives related to the System and may be provided in various forms and through various means, including multiple volumes of printed text, video and/or audio recordings and files, virtual communication channels, chats, and other electronically stored data, and various and periodic or episodic operational and/or management bulletins, in any format. We may provide a portion or all of the Manuals (including updates and amendments), and other instructional information and materials in, or via, electronic media, including through the Internet.

You may use the Manuals for the duration of the Franchise Agreement. We may periodically, modify, change, and improve parts of the Manuals and the System, and you must promptly comply with all new or changed items.

Area Representative Business

We reserve the right to offer franchises for businesses that assist us in operating our franchise program for BidExecs Businesses (the **Area Representative Business**") under a separate disclosure document, and they are not a part of this offer. An "**Area Representative**" may perform the following services on our behalf:

(i) identify and qualify prospective franchises for BidExecs Businesses;
(ii) perform brand building activities in the Designated Marketing Area;
(iii) provide ongoing support to BidExecs Businesses; and
(iv) assist us in supporting BidExecs Businesses and operating the BidExecs franchise network (the "**Area Representative Services**").

We may delegate some or all of our duties to an Area Representative or other designee, at our option. Area Representatives do not have the authority to enter into any Franchise Agreement or other agreement on our behalf or to negotiate on our behalf. We do not currently offer new franchises for Area Representative Businesses but may do so in the future.

Market and Competition

The market for the BidExecs Services and Products is well-developed. You will compete with individuals and companies that provide services and products similar to the BidExecs Services and Products.

Private sector and public sector contracting generally are mature and highly competitive areas, but also a niche business. We do not expect that your sales will be seasonal in nature. Your competitive advantage will be based on your compliance with our System standards, your focus on customer service, and your managerial and entrepreneurial abilities.

Industry Specific Regulations

Your Franchised Business will be subject to federal laws and regulations and laws and regulations in the county, state or municipality in which it is located. You are advised to examine these laws and regulations before entering into the Franchise Agreement. You must comply with all laws and regulations pertaining to government contracting.

You are also subject to employment laws such as the Fair Labor Standards Act and various state laws governing such matters as minimum wages, overtime and working conditions. You will be subject to other laws or regulations that are not specific to the industry, but applicable to businesses generally, including labor laws, insurance requirements, business licensing laws and tax regulations, and the Americans with Disabilities Act. We have not investigated all of the laws or regulations applicable to your Franchised Business. You are solely responsible for investigating all applicable federal, state, and local laws and regulations, and your cost to comply with such laws and regulations, and you should do so before purchasing a franchise from us. We strongly suggest that you consult with an attorney, consultant and/or financial advisor regarding such regulations prior to purchasing a franchise from us. Applicable laws and regulations are subject to change.

ITEM 2
BUSINESS EXPERIENCE

Founder & Chief Executive Officer: Reena Bhatia

Ms. Bhatia is our founder and has served as our Chief Executive Officer since January 2020. She is the founder and has served as sole director of our parent BidExecs Holding, located in Herndon, Virginia, since January 2020. She is the founder and has been Member of our affiliate, BidExecs-IP, located in Herndon, Virginia, since November 2019. Since January 2010, Ms. Bhatia has also served as the Chief Executive Officer of our affiliate, ProposalHelper, located in Herndon, Virginia. Ms. Bhatia primarily works out of her home office in North Carolina.

Vice President of Franchise Growth and Relations: Edward James

Mr. Edward James has served as our Vice President of Franchise Growth and Relations since February 2022. He served as our Vice President of Franchise Growth from January 2021 to February 2022. He served as Director of Franchise Development for Dickey's BBQ Restaurants, Inc., located in Dallas, Texas, from November 2019 to December 2020. Mr. James was self-employed from August 2019 to October 2019. He was the Senior Manager of Diversity & Inclusion for 7-Eleven, Inc., located in Dallas, Texas, from April 2004 to July 2019. Mr. James works out of his home office in Texas.

President, Smart Research Global (SRG): Satya Mishra

Mr. Satya Mishra has servied as President of SRG, located in Karnataka, India, since January 2022. SRG manages back-office operations for BidExecs. Previously, he served as the Chief Operating Officer of BidExecs from January 2020 to December 2021. He also served as Chief Operating Officer of ProposalHelper from June 2013 to December 2021. Mr. Mishra works out of offices in Karnataka, India.

Director of Training: Victoria Woodlock

Mrs. Victoria Woodlock has served as Director of Corporate Training for BidExecs and ProposalHelper since May 2021. She previously served as a Senior Proposal Manager with ProposalHelper from June 2018 to May 2021. Previously, she served as Staffing Coordinator for Suwannee Medical Personnel, based in Savannah, Georgia, from May 2017 to May 2018. Ms. Woodlock primary works out of her home office in North Carolina.

Director of Technology Solutions: Basavant Kutre

Mr. Basavant Kutre has served as our Director of Technology Solutions since January 2020. He has also served as Director of Technology Solutions of ProposalHelper since June 2012. Mr. Kutre works out of offices in Karnataka, India.

Unless otherwise stated state, individuals listed in Item 2 primarily work remotely out of their home offices and attend conferences, meetings, and other scheduled events at our headquarters located in Herndon, Virginia.

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

When you sign the Franchise Agreement, you will pay us an initial franchise fee of $35,000 ("**Initial Franchise Fee**").

If you are a qualifying honorably discharged United States veteran, or the spouse of a qualifying honorably discharged United States veteran, you will receive a 10% discount off the Initial Franchise Fee for your first Franchise Agreement. A qualified veteran is any former member of the United States Armed Forces who can provide a DD214 indicating an Honorable Discharge. This discount is only granted to new franchisees and is not available to existing franchisees. We may discontinue or modify this discount program at any time.

Training Fee

When you sign the Franchise Agreement, you will also pay us a training fee of $5,500 ("**Training Fee**") for you or, if you are a business entity, your Operating Principal (defined in Item 15) to attend our initial training program ("**Initial Training Program**"). Amounts paid for training are non-refundable and you must complete the Initial Training Program to our satisfaction in order to open your Franchised Business.

The Initial Franchise Fee and Training Fee are fully earned and non-refundable in consideration of the administrative and other expenses incurred by us in granting this franchise and for our lost or deferred opportunity to franchise to others. The Initial Franchise Fee and Training Fee are uniformly applied.

ITEM 6
OTHER FEES

<table>
<tr><th>Type of Fee [1]</th><th>Amount</th><th>Due Date</th><th>Remarks</th></tr>
<tr><td>Royalty Fee[2]</td><td><table><tr><th>Royalty Fee</th><th>Annual Gross Sales</th></tr><tr><td>10% of Gross Sales</td><td>up to $500,000</td></tr><tr><td>9% of Gross Sales</td><td>$500,001 to $1,500,000</td></tr><tr><td>8% of Gross Sales</td><td>$1,500,001 and up</td></tr></table></td><td>Monthly</td><td>The Royalty Fee is payable monthly and is based on the Gross Sales[3] of the Franchised Business.</td></tr>
</table>

Type of Fee [1]	Amount	Due Date	Remarks
National Brand Fund Fee	0.5% of Gross Sales	Monthly	The National Brand Fund Fee will be payable if the National Brand Fund is established by us. We may require you to contribute a maximum of four percent (4%) of Gross Sales to the National Brand Fund.
Regional Cooperative Fee	Up to 4% of Gross Sales	As incurred	We have the right to designate any geographical area for the purpose of establishing a market brand development and promotional cooperative ("Regional Cooperative"). You may be required to contribute to a Regional Cooperative in the future. We have not established any Regional Cooperatives at this time. If we establish a Regional Cooperative, you will be required to contribute a maximum of four percent (4%) of Gross Sales to the Regional Cooperative. The amounts you pay to the Regional Cooperative will be credited toward your National Brand Fund Fee payments. Any BidExecs Businesses that BidExecs operates in the region will have the same voting rights as those owned by franchisees. Each BidExecs Business owner shall be entitled to cast one (1) vote for each BidExecs Business owned.
Technology Fee	$1,250	Monthly	The Technology Fee is payable monthly. We reserve the right to increase the Tech Fee upon 30 days' notice to you.
Interest Charge	2% per month or 24% per year, or maximum rate permitted by law, whichever is less	As incurred	Payable if you fail to remit Royalty Fees or other fees when due.
Late Report Fee	$100 per week or partial week	As incurred	Due for late payments or reports in addition to other remedies available to us
Transfer Fee	$35,000	Prior to transfer	The transfer fee is payable for our legal, accounting, training and other expenses incurred in connection with the transfer.
Renewal Fee	25% of then-current Initial Franchise Fee	On execution of the new Franchise	Payable when you sign the then-current form of Franchise Agreement.

Type of Fee [1]	Amount	Due Date	Remarks
		Agreement	
Liquidated Damages	Varies	As incurred	If the Franchise Agreement is terminated due to your breach you must pay to us liquidated damages. The damages for Royalty Fees due during the remainder of the term of this Agreement will equal the average yearly amount of all fees paid or payable by you under the Franchise Agreement during the three years immediately preceding the termination (or the period the Franchised Business was open for business, if the Franchised Business was not open for business during the entire three year period), multiplied by the number of years remaining in the term, minus 20%.
Indemnification Costs	Varies	As incurred	You must pay for the cost of defending us against any liability as a result of your operations.
New Product, Service, Supplier Testing	Will not exceed our reasonable cost of the inspection and the actual cost of the test paid by you or the supplier.	As incurred	If you wish to purchase any services or products or any other items from an unapproved supplier, you must first submit to us a written request for such approval. We have the right to require that our representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, either to us or to an independent party designated by us for testing and/or review.
Reimbursement of Insurance	Cost of obtaining coverage	On receipt of invoice	If you fail to procure the required insurance, we may secure that insurance and require you to reimburse us for the premiums and other expenses relating to obtaining that insurance.
Annual Convention[3]	Varies	Prior to convention	See Note 3.
Additional Track Fee[4]	100% of the-then current Initial Franchise Fee	On amendment to the Franchise Agreement	Only upon written request as outlined in the Manuals.

NOTES

1. Fees. Unless otherwise noted, you must pay all fees to us and we have no obligation to refund them. We uniformly impose the fees described above.

2. Royalty Fee. You must pay us a continuing non-refundable monthly royalty fee initially equal to ten percent (10%) of monthly Gross Sales. If your annual Gross Sales range from $500,001 to

$1,500,000, your monthly royalty fee for the following calendar year will be nine percent (9%) of monthly Gross Sales. If your annual Gross Sales exceed $1,500,001, your monthly royalty fee for the following calendar year will be eight percent (8%) of monthly Gross Sales.

During the first two weeks of each new calendar year, we will reconcile annual Gross Sales for the prior year. If your Gross Sales for the prior year falls within the higher Gross Sales tiers, we will adjust the royalty fee downward according to the ranges described above in the new calendar year. If your Gross Sales for the prior year have decreased and fall into a lower Gross Sales tiers, we will adjust the royalty fee upward according to the ranges described above in the new calendar year. If you have at least six months of continuous operation in your first year of operations, we will annualize your Gross Sales for purposes of reconciliation and determination of whether to adjust your royalty fee accordingly.

The Royalty Fee is paid on a monthly basis based on Gross Sales of the Franchised Business for the immediately preceding calendar month, or for such other period as we specify. "**Gross Sales**" means the total gross revenue from the provision of all services and products sold or performed by or for you in, at, from or away from the Franchised Business, or through or by means of the Franchised Business, whether from cash, check, credit card, debit card, barter or exchange, or other means, and irrespective of the collection thereof, and including, the following: (a) all client fees and payments, including, for example, client agreement fees, subscription fees, corporate/third party payor fees, retainer fees and (b) proceeds from any business interruption insurance. The following amounts will be deducted from Gross Sales: (i) sales taxes, use taxes, and other similar taxes added to the sales price and collected from the client and paid to the appropriate taxing authority; and (ii) any bona fide refunds and credits that are actually provided to clients and other customers.

3. Annual Convention. We may conduct an annual convention for our Franchisees during each calendar year. We may charge a fee for you to attend. You will be responsible for all of the expenses for yourself and the persons you send to the convention, including travel, lodging, and food.

4. Tracks. You will first offer services under one Track. If you desire the right to provide BidExecs Services and Products under an additional Track, you must request in writing our approval to provide the additional BidExecs Services and Products under the other Track. We have no obligation to approve your request, and we may approve or disapprove your request at our option. If we approve your request, you will pay to us an Initial Franchise Fee of one hundred percent (100%) of the then-current Initial Franchise Fee for a single Track and you and we will sign an amendment to the Franchise Agreement or such other documentation that we require to memoralize the terms of our agreement to permit you to provide such additional BidExecs Services and Products.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure [1]	Amount	Method of Payment	When Due	To Whom Paid
Initial Franchise Fee	$35,000	Lump Sum	Upon signing Franchise Agreement	Us
Local Advertising	$1,000 to $3,000	As Incurred	As Agreed	Third Parties
Training Fees and Expenses	$5,500 to $6,500	As Incurred	As Agreed	Us and Third Parties
Rent, Security & Utility Deposits	$1,250 to $2,750	As Agreed	Prior to Opening	Utilities and Service Providers
Equipment, Fixtures and Furnishings	$1,500 to $2,500	As Agreed	As Agreed	Vendors
Computer System	$2,000 to $3,000	As Agreed	As Agreed	Vendors
Insurance	$1,000 to $2,000	As Agreed	As Incurred	Third Parties
Business Licenses, Legal Fees	$500 to $1,500	As Agreed	As Incurred	Third Parties
Additional Funds	$10,000 to $30,000	Varies	As Incurred	Various
TOTAL	$57,750 to $86,250			

NOTES

1. Explanation of Estimates. The chart above describes the estimated initial investment for a Franchised Business operated from a leased Franchisee Office. We prepared these estimates based on the experience and data collected from the operating expenses of our affiliate's various businesses. Except as expressly indicated otherwise, these estimates are intended to estimate your required initial cash investment up to the opening date of your Franchised Business, and potential working capital needs for the first ninety (90) days of operations thereafter. They do not include your cash needs to cover any financing incurred by you or your other expenses. The amount of necessary reserves will vary greatly from Franchisee to Franchisee and will depend upon many factors, including the rate of growth and success of your Franchised Business, which in turn will depend upon factors such as public awareness of your business, your ability to operate efficiently and in conformance with our recommended methods of doing business, and competition. Because the exact amount of reserves will vary from business to business, you should retain the services of an experienced accountant or financial advisor to develop a business plan and financial projections for the Franchised Business.

2. You pay the Initial Franchise Fee when you sign the Franchise Agreement. Except as otherwise described in the Franchise Agreement, we have no obligation to refund any fees paid to us. Whether any third party will refund any costs will depend on the third party involved.

3. The estimate above includes the Training Fee of $5,500 and estimated costs and expenses you may incur to attend and participate in our Initial Training Program. We may require that additional individuals attend training, at our option. We may require you to pay an additional fee for such additional attendees.

4. You must obtain and maintain a Franchisee Office at and from which you will operate the Franchised Business. If you are renting the space for the Franchisee Office, rental rates will vary

based on the Franchised Business's location and size. The Franchisee Office must be a minimum of approximately 500 square feet. The figures above include the estimated cost of only lease deposits and utility deposits. Because of a number of variables, the costs projected in the chart for the lease deposit and utilities deposits are an estimate only, and your initial investment may be higher or lower. You should investigate all real estate costs thoroughly before signing a lease.

5. You must obtain and maintain a Computer System that is capable of efficiently operating the required tools and technologies in the delivery of our System. You must also install and maintain high-speed Internet access. See ITEM 11 of this offering circular for more information regarding required Business Management System hardware and software purchases.

6. You must carry insurance for the types of coverages and in the amounts that we specify in the Franchise Agreement and the Manuals. The amount listed above represents our best estimate of the premiums required for certain types of insurance including commercial general liability and worker's compensation insurance during the first three months of operation of a Franchised Business. Insurance costs vary in different locations. If you have employees, you will incur expenses for workers' compensation insurance.

7. The amounts listed above represent an estimate of your operating expenses for the initial three (3) months of business. Because of differences in many factors, like sales, managerial skills, and geographic areas, you should view the above estimate of additional funds as an absolute minimum. You may need substantially more additional funds.

8. These estimates are based on the experience of our franchisees, our affiliate ProposalHelper, and our business consultants. You should review the amounts listed above carefully with a business advisor before making any decision to purchase the franchise. This is an estimate only and the actual cost can vary largely depending on the site-specific conditions and requirements for each location. We do not offer any financing directly or indirectly for any part of the initial investment.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

General

To ensure that the highest degree of quality and service is maintained, you must operate the Franchised Business in compliance with your Franchise Agreement and in conformity with the methods, standards, and specifications as we may periodically prescribe in the Manuals or otherwise in writing. You must not deviate from our standards and specifications, unless you have received our prior written consent.

You must purchase the services and products we designate only from approved suppliers. We will provide you with a list of approved suppliers, which we may update from time to time. If you want to buy any services, products, or any other items from an unapproved supplier, you first must submit to us a written request for our approval. You may not purchase products or services from any proposed new supplier until we have approved in writing the proposed new supplier. We expect to provide you with approval or disapproval of the supplier within 30 days after our receipt of your request and all requested samples and information. We also may require that the proposed new supplier comply with certain other requirements that we may deem appropriate, including, for example, payment of reasonable continuing inspection fees and administrative costs or reimbursement of our actual costs associated with the investigation of their product(s) or service(s). Currently, we do not charge you any fees in connection with securing supplier approval. We may approve or disapprove of the suppliers who may be permitted to sell products to you at our option.

You must purchase or pay our fees or costs to use our services and products and/or services, including our technology platforms as more fully described in the Manuals, and products from our affiliates or manufacturers that we designate. ProposalHelper or another designee may provide you with business development and proposal/project management related services for a fee. We expect that you will eventually generate these services internally through your employees and we may require you to do so after an initial period.

We and our affiliates may earn revenue from your purchase or lease of required services or products. In the fiscal year ending December 31, 2022, our total revenue was $0 and we received $0 in revenue from required purchases or leases by Franchisees, which was 0% of our total revenue.

We may also require that you purchase equipment and other materials and supplies from vendors we designate or approve.

You are not currently required to purchase or lease from us or our affiliates, any goods, services, supplies, fixtures, equipment, inventory, or real estate for the establishment or operation of the Franchised Business.

Although we do not currently do so, we may, at our option, negotiate certain purchase and pricing arrangements with suppliers for the benefit of us and/or our Franchisees. We do not provide any special benefits to Franchisees based upon their use of these suppliers.

We and our affiliates may derive revenue or other consideration from your dealings with approved suppliers in the form of rebates, cash payments, discounts, promotional allowances, and/or other payments based on franchisees' purchases from such approved suppliers. For the fiscal year ending December 31, 2022, neither we nor any of our affiliates received any such payments, rebates, or other consideration from any approved supplier based on franchisees' purchases or leases of required products or services from such approved supplier.

Computer System, Software and Other Technology

You must purchase or lease a Computer System (including the Business Management System described in ITEM 11) that meets our specifications, which are further detailed in ITEM 11, including any required software indicated below in this ITEM 8. We may require that you purchase additional hardware and software meeting our minimum specifications, including any proprietary or customized software that we may develop or have developed on our behalf. Currently, we recommend that you use Quickbooks for accounting.

Advertising and Marketing

All advertising, marketing and promotion of your Franchised Business must conform to our standards and specifications. We will provide you with the advertising, marketing and promotional materials that you may use to solicit and recruit client and customers for your Franchised Business. Currently, you may not prepare your own materials. In the future, if we decide to permit you to prepare your own materials, you must submit to us samples of all advertising, plans and promotional materials which have not been prepared or previously approved by us. See ITEM 11.

Internal Website and Communications

We will establish an internal portal and make it available to Franchisees. The portal will offer a variety of functionalities. For instance, it will allow you to send e-mail to us, post and respond to questions, view other responses in question and answer forums, view and print items, download files and software updates, update and order business forms, order products you will use in the operation of your Franchised Business, and access training courses and materials for you and your employees.

We will provide you with a specific BidExecs email address that you must use in connection with the operation of your Franchised Business. We will establish a separate website specifically for you to use in connection with your Franchised Business.

Insurance

You must obtain and maintain the insurance coverages and policies that we prescribe in the Franchise Agreement and/or our Manuals. Each insurance policy must be issued by an issuer we approve, who must have an A.M. Best Rating of not less than A-VII. We require that these policies name us as an additional insured and contain a waiver of subrogation in our favor, subject to applicable law. The policies must provide us with written statutory cancellation notice and non-renewal. We may periodically increase required coverage limits or require additional or different coverage to reflect inflation, identification of new risks, changes in the law or standards of liability, higher damage awards and other relevant changes in circumstances. You must deliver to us (and in the future maintain on file with us) valid and current certificates of insurance showing that all required insurance is in full force and effect, or any other evidence of coverage that we may require from time to time. We currently require that you obtain and maintain, at a minimum, the following types and amounts of insurance:

1. Liability. A comprehensive general liability policy in the amount of not less than $2,000,000 bodily injury aggregate and $1,000,000 per occurrence, including operations, products and completed operations, broad form contractual liability, personal injury, and advertising liability. This coverage part will also include sexual misconduct liability coverage for not less than $100,000 per occurrence and $300,000 aggregate sublimit.

2. Business Income and Extra Expense. Business income and extra expense insurance in an amount not less than adequate to pay for continuing expenses at a limit of 50% of annual sales or 12 months actual loss sustained basis.

3. Statutory Workers' Compensation Insurance. Statutory workers' compensation insurance and employer's liability insurance for a minimum limit of at least $1,000,000, as well as such other disability benefits type insurance as may be required by statute or rule of the state in which the Franchised Business is located. You must have and maintain this insurance for all of your employees prior to any employee commencing any training with us.

4. Commercial Umbrella Liability Insurance. Commercial umbrella liability insurance with limits which bring the total of all primary underlying coverages to not less than $3,000,000 total limit of liability.

5. Cyber Liability Insurance. Cyber liability insurance in an amount that we prescribe.

6. Other Insurance. Any other insurance coverage that is required by federal, state, or municipal law.

* * *

Except as described in this ITEM 8, you are not obligated to purchase or lease any other goods, services, products, or materials in accordance with specifications from us or from designated sources. We do not provide any material benefits to you (such as preferential renewal rights or granting additional franchises) based on your use of designated or approved suppliers except as stated in this Disclosure Document.

There are currently no purchasing or distribution cooperatives in the System.

We estimate that the costs of your purchases from designated or approved sources, or according to our standards and specifications, will range from 60% to 85% of the total cost of establishing your Franchised Business and approximately 75% to 85% of the total cost of operating your Franchised Business after that time. None of our officers own any interest in an approved or designated supplier at this time.

ITEM 9
FRANCHISEE'S OBLIGATIONS

The following table lists your principal obligations under the Franchise Agreement. It will help you find more detailed information about your obligations in those agreements and in other items of this Disclosure Document.

Obligation	Section in Franchise Agreement (FA)	Item(s) in Disclosure Document
a. Location selection and acquisition/lease	FA – 1.1, 1.2	7 and 11
b. Pre-opening purchases/leases	FA – 5.2	7, 8 and 11
c. Location development and other pre-opening requirements	FA – 5.1, 5.2 and 5.17	5, 6, 7, 8 and 11
d. Initial and ongoing training	FA – 5.3	7 and 11
e. Opening	FA – 5.1 and 5.2	7 and 11
f. Fees	FA – 3	5, 6 and 7
g. Compliance with standards, policies and manuals	FA – 5	8 and 11
h. Trademarks and proprietary information	FA – 8 and 10	13 and 14
i. Restrictions on products and services offered	FA – 5.7 and 5.8	16
j. Warranty and customer service requirements	FA – 5.1	8
k. Territorial development and sales quotas	Not applicable.	Not applicable.
l. Ongoing product and service purchases	FA – 5.8 and 5.9	8
m. Maintenance, appearance and remodeling requirements	FA – 5.6 and 5.7	11
n. Insurance	FA – 11	6, 7 and 8
o. Advertising	FA – 6	5, 6, 7 and 11
p. Indemnification	FA – 16	6
q. Owner's participation, management and staffing	FA – 5.5 and 5.14	11 and 15
r. Records and reports	FA – 7	Not Applicable
s. Inspections and audits	FA – 5.13 and 7.4	6
t. Transfers	FA – 12	6 and 17
u. Renewal	FA – 2	6, 11 and 17
v. Post-termination obligations	FA – 14	17
w. Non-competition covenants	FA – 10	17
x. Dispute resolution	FA – 17	17

ITEM 10
FINANCING

Neither we nor any of our affiliates offer, directly or indirectly, any financing arrangements to our Franchisees. We do not guarantee your notes, leases or other obligations.

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

Except as listed below, we need not provide any assistance to you.

Pre-opening Obligations

Before you open your business, we or our designee we will provide the following assistance:

1. We will provide pre-opening training in the BidExecs System, including standards, methods, procedures and techniques, at the times and places we designate for our training programs, together with any additional training and assistance we determine necessary in connection with the opening of your Franchised Business, including assistance by our personnel. (Franchise Agreement, Section 4.1). A description of that training appears later in this ITEM 11.

2. We will provide you pre-opening assistance in the manner we determine. (Franchise Agreement, Section 4.2).

3. We will loan to you or otherwise provide you access to our Manuals, which we may revise from time to time. (Franchise Agreement, Section 4.3).

4. We will provide you with advertising assistance, sales advice, or related materials as we deem advisable and as we may develop from time to time. (Franchise Agreement, Section 4.4).

5. We will provide you with periodic individual or group advice, consultation and assistance, by personal visit, telephone, mail or e-mail as we may deem advisable. (Franchise Agreement, Section 4.5).

6. We will provide you with bulletins, brochures and reports that we may publish from time to time. (Franchise Agreement, Section 4.6).

7. We will inspect the Franchised Business including the Computer System and records and reports prior to opening. (Franchise Agreement, Sections 4.7 and 4.8).

Post-opening Obligations

During the operation of the franchised business, we will provide the following assistance:

1. Monitor the level of training and assist you in training. We will make training available to all of your future management employees during the term of the Franchise Agreement. (Franchise Agreement, Section 4.2)

2. Provide advertising, sales and other advice we periodically develop. (Franchise Agreement, Section 4.4). An explanation of the advertising program appears in more detail later in this item.

3. Provide periodic individual or group advice, consultation and assistance, rendered by personal visit, telephone or bulletins made available, as we deem necessary. (Franchise Agreement, Section 4.5)

4. Provide bulletins, brochures and reports we periodically publish regarding our plans, policies, research, developments, and activities. (Franchise Agreement, Section 4.6)

5. Provide other resources and assistance we may develop in the future. (Franchise Agreement, Section 4)

Location Selection and Opening

We designate a specific Designated Marketing Area for each Franchised Business. The factors that we consider in selecting the Designated Marketing Area include the general characteristics and population density of the geographic area, demographic characteristics, and the estimated number of identifiable businesses that are actively competing for bids in the area. Our selection of a Designated Marketing Area does not constitute any representation, warranty or guarantee that you will succeed as a Franchisee in the Designated Marketing Area.

You must select the proposed Franchisee Office for your Franchised Business. While we do not have to approve the proposed site of the Franchisee Office in advance, the Franchisee Office must satisfy our standards and specifications as described in the Manuals or otherwise in writing. You may not change the location of the Franchisee Office without notifying us and obtaining our prior written consent to the change. You may operate the Franchised Business only at and from the Franchisee Office.

The typical length of time from the signing of a Franchise Agreement to the commencement of operations by a franchisee is expected to be 15 to 45 days. Factors affecting the length of time before opening usually include selecting and securing a Franchisee Office and training. The Franchise Agreement requires that you open the Franchised Business within 3 months after the date you sign the Franchise Agreement. Your failure to open will constitute an event of default under the Franchise Agreement, for which we may terminate your franchise.

Advertising and Promotion

National Brand Fund

We may establish a National Brand Fund to be maintained and administered by us or by our designee as follows:

1. We or a designee will have the right to direct all advertising programs, as well as all aspects of the advertising program, including the concept, materials, and media used in the programs and the placement and allocation of the programs. The National Brand Fund is intended to maximize general public recognition, acceptance, and use of the System; and we and our designee are not obligated, in administering the National Brand Fund, to make expenditures for you which are equivalent or proportionate to your contribution, to ensure that any particular Franchisee benefits directly or pro rata from expenditures by the National Brand Fund, or to expend any particular amount of money in any Franchisee's Designated Marketing Area.

2. The National Brand Fund, and all contributions to and earnings from the National Brand Fund, will be used only (except as otherwise provided below) to meet any and all costs of maintaining, administering, directing, conducting, creating, and/or otherwise preparing advertising, marketing, public relations and promotional programs and materials, and any other activities that we believe will enhance the image of the System. This includes, among other things, the costs of preparing and/or conducting media advertising campaigns, social media campaigns, direct mail advertising, marketing surveys and other public relations activities; product development and market testing; brand research and development; developing and hosting marketing, brand enhancement, and customer engagement seminars for Franchisees; employing advertising and/or public relations

agencies; developing new or modified trade dress and marks; design and photographs; conducting and administering visual merchandising, and other merchandising programs; purchasing media space or time (including all associated fees and expenses); administering regional and multi-regional marketing and advertising programs; market research and customer satisfaction surveys; developing and implementing customer retention programs; the creative development of, and actual production associated with, public relation events, and charitable or non-profit events; developing, implementing and maintaining an electronic commerce website and/or related strategies; maintaining and developing software or hardware or websites for the benefit of the System, the Marks and/or the BidExecs brand; providing promotional and other marketing materials and services to the BidExecs Businesses operated under the System; and the salaries of our employees to the extent such employees provide services in conjunction with System marketing activities. The National Brand Fund may also be used to provide rebates or reimbursements to Franchisees for local expenditures on products, services, or improvements, approved in advance by us, which products, services, or improvements we will have the right to determine, that we believe will promote general public awareness and favorable support for the System.

3. You must begin to pay the National Brand Fund Fee when we establish the National Brand Fund. You must contribute to it in the manner we specify, which will typically be by EFT, by the 15th of each month. All sums you pay to the National Brand Fund will be maintained in an account separate from our other monies. For all BidExecs Businesses owned by us, we will contribute to the National Brand Fund on the same basis as franchisees.

4. We will have the right to charge the National Brand Fund for the reasonable administrative costs and overhead that we incur in activities reasonably related to the direction and implementation of the National Brand Fund and marketing programs for Franchisees and the System (for example, costs of personnel for creating and implementing, associated overhead, advertising, merchandising, promotional and marketing programs, and accounting services reasonably related to the operation and functions of the National Brand Fund). The National Brand Fund and its earnings will not otherwise inure to our benefit. We or our designee will maintain separate bookkeeping accounts for the National Brand Fund.

5. The National Brand Fund will not be used for our ordinary operating expenses, and it is not a trust. We do not assume any fiduciary obligation to you or any other Franchisee for maintaining, directing, or administering the National Brand Fund or for any other reason. A statement of the operations of the National Brand Fund will be prepared annually. We will provide a copy of the statements of the National Brand Fund to you upon written request. The National Brand Fund may be audited by us at our option, but we have no obligation to conduct an audit.

6. Although the National Brand Fund is intended to be of perpetual duration, we maintain the right to terminate the National Brand Fund. The National Brand Fund will not be terminated, however, until all monies in the National Brand Fund have been spent for advertising and/ or promotion or returned to National Brand Fund contributions.

If a National Brand Fund is established, BidExecs Businesses owned by us or our affiliates will contribute to the National Brand Fund at the same rate as Franchisees.

Although the National Brand Fund is not yet operational, we do not expect that any portion of the National Brand Fund will be used for marketing that is principally a solicitation for the sale of franchises.

Regional Cooperative

We have the right to designate any geographical area for the purpose of establishing a market brand development and promotional cooperative fund ("Regional Cooperative"). We also have the right to change, dissolve, or merge any Regional Cooperative. The purpose of the Regional Cooperative is to conduct marketing campaigns for the BidExecs Businesses located in that geographic area.

If a Regional Cooperative for your area is established before you begin to operate the Franchised Business, then when you open the Franchised Business, you must immediately join that Regional Cooperative. If a Regional Cooperative for your area is established after you begin to operate the Franchised Business, then you must join the new Regional Cooperative within 30 days after the Regional Cooperative commences operations. You will not be required to be a member of more than one Regional Cooperative for the Franchised Business. The following provisions will apply to each Regional Cooperative (if and when organized):

1. You will contribute to the Regional Cooperative of which you are a member an amount each calendar month during the term of this Agreement as determined by us, which will not be more than four percent (4%) of Gross Sales (the "Regional Cooperative Fee"). Any amount paid by you toward the Regional Cooperative Fee will offset your obligation to pay the National Brand Fund Fee.

2. Regional Cooperatives will be organized and governed in the form and manner that we approve in advance. Unless we specify otherwise, the activities carried on by each Regional Cooperative will be decided by a majority vote of its members. Any BidExecs Businesses that we operate in the region will have the same voting rights as those owned by franchisees. Each individual BidExecs Business will be entitled to cast one vote. Any disputes arising among or between you, other members of the Regional Cooperative, and/or the Regional Cooperative, will be resolved according to the rules and procedures set forth in the Regional Cooperative's governing documents.

3. Regional Cooperatives will be organized for the exclusive purpose of administering regional marketing programs and developing (subject to our approval) standardized promotional materials for use by the members in local advertising and promotion.

4. Regional Cooperatives may not use advertising or promotional plans or materials without our prior written approval, as described below.

5. You must submit your required contribution to the Regional Cooperative at the same time as payments are required for royalties and the National Brand Fund Fee, together with the statements and reports that may be required by us or by the Regional Cooperative, with our written approval. If we request in writing, you must submit your payments and reports for the Regional Cooperative directly to us and we will distribute the money and reports to the Regional Cooperative.

6. A Regional Cooperative may be managed or administered by an Area Representative or another designee.

7. Although, if established, a Regional Cooperative is intended to be of perpetual duration, we maintain the right to terminate any Regional Cooperative. A Regional Cooperative will not be terminated, however, until all monies in that Regional Cooperative have been expended for marketing or promotional purposes.

Currently, we have not formed any Regional Cooperatives. If a Regional Cooperative is established, BidExecs Businesses owned by us or our affiliates will contribute to the Regional Cooperative at the same rate as Franchisees.

Advertising Council

We do not have an advertising council for Franchisees.

Local Advertising

You must spend at least 2% of Gross Sales per month or $1,000 per month, whichever is greater, on local advertising and promotion (the "**local advertising and social engagement**") within the Designated Marketing Area. All of your local advertising and promotion must be conducted in the media, type, and format that we have approved, must be conducted in a dignified manner, and must conform to our standards and requirements. You must comply with all of our written instructions, policies, procedures, and restrictions regarding advertising and marketing within the Designated Marketing Area, outside of the Designated Marketing Area, and in areas that may be territories assigned to other Franchisees. You may not use any marketing or promotional plans that we have not approved in writing. You must submit to us samples of all proposed plans and materials before you use the materials. If we have not approved the materials within 15 days of our receipt, then the marketing and promotional materials will be deemed disapproved. All advertising and promotional materials developed by or on your behalf, and any copyrights thereto, will be our sole property, and you must execute such documents (and, if necessary, require your independent contractors to execute such documents) as we may deem reasonably necessary memorialize our ownership of these materials.

As used in the Franchise Agreement, the term "local advertising and social engagement" refers to only the direct costs of purchasing and producing marketing materials (such as camera-ready advertising and point of sale materials), media (space or time), and your direct out-of-pocket expenses related to costs of advertising and sales promotion in your Designated Marketing Area. Local advertising and promotion also includes associated marketing agency fees and expenses, postage, shipping, telephone, and photocopying costs. Local advertising and social engagement does not, however, include any of the following:

(a) salaries, incentives or discounts offered to your employees, and your employees expenses, including salaries or expenses for attendance at advertising meetings or activities, or incentives provided or offered to your employees;

(b) charitable, political, or other contributions or donations, whether in cash or services; and

(c) the value of discounts given to consumers.

Computer System

We have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, computer software, and hardware used by, between, or among Franchised Businesses, Area Representative Businesses and us including: (a) back office and contact management systems, data, audio, video, and voice storage, retrieval, and transmission systems; (b) physical, electronic, and other security systems; (c) printers and other peripheral devices; (d) archival back-up systems; (e) e-mail systems; and (f) Internet access mode and speed (collectively, the "**Computer System**"). You agree to record all sales on computer-based point of sale or similar client management systems that we have the right to designate or approve ("**Business Management System**"). The Business Management System is part of your Computer System. You may use the Computer System only for the Franchised Business.

Currently, the Computer System includes a tablet or laptop, smartphone, and high-speed business class Internet service. You must use a computer with adequate memory, speed and storage to run the proprietary software we may develop from time to time. We estimate this will cost between $2,000 and $3,000 per tablet or computer, although the cost of these systems may increase. We will provide you with our other specifications for computer hardware and operating systems in our Manuals. You may acquire your computer hardware from any source. We may also require that you use our intranet Website.

You must use the software and programs that we designate and approve.

The total cost to purchase the current Computer System, including all hardware and licenses, will range from $2,000 to $3,000.

You must pay for all maintenance of your Computer System at your own expense. We do not guarantee, warrant, maintain or support any of your computer hardware in any manner. You should determine for yourself whether or not any third-party supplier from whom you purchase any component of your Computer System is obligated to provide ongoing maintenance, repairs, upgrades or updates to any component of your Computer System, and determine the additional cost for the services. Our computer hardware and software requirements may periodically change and you will be required to update your computer hardware and software periodically. We will advise you in writing of any required upgrades.

We have the right to remotely access your Computer System in the manner, form, and at the times that we request. The contractual limits on required upgrades are described below.

Remodeling and Upgrades

In addition to your obligation to maintain the Franchised Business, you must also undertake all periodic and ongoing remodeling and upgrading as we require in the Manuals or otherwise in writing. For example, you must make, from time to time, the upgrades and other changes to the Computer System and related equipment as we may request in writing (collectively, "**Equipment Upgrades**"). We have the right to require any Equipment Upgrades we deem necessary for your Franchised Business. Other than as stated in this paragraph, there are no other limitations on our ability to require you to upgrade the Franchised Business.

BidExecs Brand Standards Manuals

On request, we will permit you to view our Manuals and other manuals at our headquarters or elsewhere as mutually arranged before you sign a Franchise Agreement.

Initial Training Program

You or your Operating Principal (if you are a business entity) must complete our initial training program to our satisfaction. An "**Operating Principal**" is an individual who owns at least 51% of the equity interest in you and who we have approved to supervise the day-to-day operations of the Franchised Business. The fee for you to attend the initial training program is $5,500. We may permit additional individuals to attend initial training, at our option, but may charge a fee for those additional attendees to attend initial training.

The following chart summarizes the subjects taught during the training for both Tracks:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the Job Training	Location
BidExecs General Training – Overall Organization and Franchise Support	1.5	0	BidExecs headquarters in Herndon, Virginia or Online/Virtual
Understanding the Industry, Buyer, Seller, and Contracting	7.5	0	BidExecs headquarters in Herndon, Virginia or Online/Virtual
Contracts Training – Business Development Franchise	6	0	BidExecs headquarters in Herndon, Virginia or Online/Virtual
Contracts Training – Proposal Management Franchise	6	0	BidExecs headquarters in Herndon, Virginia or Online/Virtual
Accessing Accounting System, Technology Access, Support Systems, Reporting Requirements	1.5	0	BidExecs headquarters in Herndon, Virginia or Online/Virtual
Tools and Technology – General	1.5	0	BidExecs headquarters in Herndon, Virginia or Online/Virtual
Tools and Technology – Business Development Franchise	7	0	BidExecs headquarters in Herndon, Virginia or Online/Virtual
Tools and Technology – Proposal Development Franchise	5	1	BidExecs headquarters in Herndon, Virginia or Online/Virtual
BidConnect Configuration Roles and Setup	3	0	Online/Virtual
Selling – Presenting Capabilities – General	1.5	1	BidExecs headquarters in Herndon, Virginia or Online/Virtual

Subject	Hours of Classroom Training	Hours of On-the Job Training	Location
Selling – How to Sell – Business Development Franchise	2	1	BidExecs headquarters in Herndon, Virginia or Online/Virtual
Selling – How to Sell – Proposal Development Franchise	2	1	BidExecs headquarters in Herndon, Virginia or Online/Virtual
Servicing – Business Development Franchise	4.5	0	BidExecs headquarters in Herndon, Virginia or Online/Virtual
Servicing – Proposal Development Franchise	4.5	6	BidExecs headquarters in Herndon, Virginia or Online/Virtual
TOTAL	53.5	10	

Our training programs are overseen by Mrs. Victoria Woodlock, who has been our Director of Corporate Training since May 2021. Mrs. Woodlock has over 7 years of industry experience in proposal planning and development, coordination, text-graphics integration, reviews, and publication. Her education background is in Public Policy Administration and Human Resources Operations Management. We may use additional or substitute instructors as needed, in our discretion. The training materials include written, verbal, and recorded training videos.

You are solely responsible for all travel, meal, lodging, and payroll expenses associated with sending attendees to our training programs.

<u>Convention</u>

You and other individuals we designate must attend an annual convention if we choose to host one. We may require you to pay a registration fee to attend the convention. You will also be responsible for your and your additional attendees' costs and expenses to attend the convention, including transportation, meals and lodging. The convention will be hosted at a location we designate, which typically will be in the United States.

ITEM 12
TERRITORY

Except as described below, you must provide the BidExecs Services and Products only to clients and prospective clients located within the Designated Marketing Area. You may not operate the Franchised Business from any location other than the Franchisee Office, and you may not relocate the Franchisee Office or the Franchised Business without our prior written approval.

The Designated Marketing Area is determined based on the number of contractors in the Designated Marketing Area. We may identify the Designated Marketing Area by zip codes, street boundaries, city boundaries or county boundaries.

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

You may not advertise or market the BidExecs Services and Products to, or solicit bids from, clients and prospective clients located outside of the Designated Marketing Area.

You do not receive options, rights of first refusal or similar rights to acquire additional Franchised Businesses within the Designated Marketing Area. You are not given a right of first refusal on the sale of existing Franchised Businesses.

Under the Franchise Agreement, we retain all rights not expressly granted to you, including the following rights, without compensation or other recourse due to you, regardless of location, proximity to, or economic impact upon you or the Franchised Business:

1. To advertise and promote the System within and outside of the Designated Marketing Area;

2. To operate and authorize others to operate BidExecs Businesses within and outside of the Designated Marketing Area, including, for example, granting and authorizing Area Representatives to operate Area Representative Businesses within and outside of the Designated Marketing Area, to among other things, offer BidExecs Businesses on our behalf, provide ongoing support to Franchisees, promote the BidExecs brand, referee client and Franchisee issues, and monitor BidExecs Businesses for quality assurance and compliance with BidExecs' standards and specifications;

3. To offer and sell any products or services (including BidExecs Services and Products), under any marks (including the Marks) within and outside the Designated Marketing Area, and through any means;

4. To establish, operate and license others to establish and operate any businesses other than BidExecs Businesses within and outside of the Designated Marketing Area;

5. To develop or become associated with other concepts (including other franchise systems), whether or not using the System and/or the Marks, and or offer or sell franchises under such concepts, within and outside of the Designated Marketing Area;

6. To acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not) with outlets located anywhere and, even if such businesses are located in the Designated Marketing Area: (i) convert the other businesses to BidExecs Businesses; (ii) permit the other businesses to continue to operate under another name; and/or (iii) permit the other businesses to operate under another name and convert existing BidExecs Businesses to such other name; or;

7. To engage in any other activity, action or undertaking that we or our affiliates are not expressly prohibited from taking under the Franchise Agreement.

We may offer and sell services and products through other channels of distribution, including the Internet, within the Designated Marketing Area, under the Marks, or under different trademarks without compensation to you. You are not permitted to provide the BidExecs Services and Products outside the Designated Marketing Area or through other channels of distribution (such as catalog sales, telemarketing, or other direct marketing) to make sales outside its territory, except the channels of distribution we have specifically approved, including your Franchisee Office or those websites that we have approved.

As described above, our affiliate ProposalHelper provides similar services to those that are provided by BidExecs Businesses including consulting, business development, capture support, and/or proposal management services, proposal development and editing, graphic design, and desktop publishing and quality and compliance services.

ITEM 13
TRADEMARKS

The Franchise Agreement grants you the right to use in the Designated Marketing Area the trade name and service mark "BidExecs" and those other current or future marks that we designate for the operation of your Franchised Business.

Our affiliate, BidExecs-IP, owns the following Mark on the Principal Register of the United States Patent and Trademark Office ("USPTO"). BidExecs-IP has renewed or intends to renew the registrations for the Marks. All required affidavits have been filed.

Mark	Registration Number	Registration Date
BIDEXECS	6302367	March 23, 2021

You cannot use the Marks as part of a corporate, limited liability company, or partnership name or with modifying words, designs or symbols. You may not use the Marks in connection with the sale of any unauthorized products or services or in any manner not authorized by us. You must operate the Franchised Business only as "BidExecs" and you may not use any other name in connection with the operation of the Franchised Business.

BidExecs-IP has licensed to us the perpetual right to use the Marks and the System, and to sublicense the use of the Marks and the System to operate Franchised Business under a trademark and system license agreement (the "**Trademark License Agreement**") effective as of January 13, 2020. The parties may terminate the Trademark License Agreement by mutual written agreement at any time. Either party may terminate the Trademark License Agreement by written notice to the other if a material breach of the Trademark License Agreement occurs and is not cured within 30 days after the non-breaching party gives the breaching party notice of the breach. If the Trademark License Agreement is terminated, any then-existing Franchise Agreements will continue for the duration of their terms, provided that the Franchisees comply with all other terms of their Franchise Agreements. The Trademark License Agreement contains no other material limitations.

There is no presently effective determination of the USPTO, the trademark administrator of any state, or any court, and no pending interference, opposition or cancellation proceeding or any pending material litigation involving the Marks. Except as described above, there are no agreements currently in effect which significantly limit our rights to use or license the use of such trademarks, service marks, trade names, logotypes or other commercial symbols in any manner material to the franchise.

For all proposed advertising, marketing, and promotional plans, you must follow and comply with our policies, procedures, guidelines and standards as set out in the Manuals or otherwise in writing, which may be modified from time to time.

You must promptly notify us of any unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our affiliate's ownership of, right to use and to license others to use, or your right to use, the Marks. As between you and us, we have the right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement. As between you and us, we also have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks.

If we undertake the defense or prosecution of any litigation concerning the Marks, you must sign any documents and agree to do the things as may, in our counsel's opinion, be necessary to carry out that defense or prosecution, such as becoming a nominal party to any legal action. Unless the litigation is the result of your use of the Marks in a manner inconsistent with the terms of the Franchise Agreement, we will reimburse you for your out of pocket costs in doing these things (although you will still be responsible for the salary costs of your employees) and we will bear the costs of any judgment or settlement. However, if the litigation results from your use of the Marks in a manner inconsistent with the terms of the Franchise Agreement, then you will have to reimburse us for the cost of the litigation, including attorneys' fees, as well as the cost of any judgment or settlement. We do not have to indemnify you against, or reimburse you for, any damages that you suffer in any proceeding arising out of the use of any name or Mark, or for any costs incurred by you in the defense of any of those claims.

We reserve the right to substitute different proprietary marks for use in identifying the System and the businesses operating under it, at our sole discretion. We will have no obligation or liability to you to bear the costs of conforming to our new Marks as a result of this substitution. We also have the right at any time to modify, discontinue, add to, or substitute the Marks that you are licensed to use under the Franchise Agreement.

We may grant other licenses for the Marks, in addition to those granted to you. We can use the Marks to sell products and services. We also can develop and establish other systems using the same or similar Marks or other marks, and we can grant rights to others to use them without extending them to you for your use.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We hold no patents material to the Franchised Business.

Our affiliate, BidExecs-IP, claims copyright protection in our Manuals and related materials, although neither we nor BidExecs-IP have registered those copyrights with the United State Copyright Office. We consider the Manuals and related materials confidential, proprietary and our affiliate's property. You may use them only in the operation of your Franchised Business as provided in the Franchise Agreement. You may not use our and our affiliate's confidential and proprietary information in any unauthorized manner and must take reasonable steps to prevent its disclosure to others. Your right to use those materials continues as long as the Franchise Agreement remains in effect.

Neither the United States Copyright Office nor any court has made any currently-effective determinations regarding any of our copyrighted materials. We have no agreements in effect that significantly limit our right to use or license the use of our copyrighted materials. Finally, we know of no infringing uses that could materially affect your use of our copyrighted materials in any state. We have no obligation to protect or defend our copyrights or confidential information, although we intend to do so when in the best interest of our System.

During the term of the Franchise Agreement, you will receive information that we consider to be our trade secrets and confidential information, including confidential information, trade secrets, knowledge, or know how concerning the System or the methods of operation of your Franchised Business, which may be communicated to you or which you may be apprised of by virtue of your operation under the terms of the Franchise Agreement ("Confidential Information"). You may only divulge Confidential Information to your owners, directors, members, officers, managers, or employees as must have access to it in order to operate your Franchised Business. Your employees who may have access to our Confidential Information must sign a confidentiality agreement. Our current form of confidentiality agreement is attached to the Franchise Agreement as Exhibit D. You will be liable for any unauthorized disclosure of our Confidential Information by your principals, employees, and agents. Upon expiration, non-renewal, or termination of a

Franchise Agreement, you must immediately stop using the Confidential Information in any business or otherwise and must return all proprietary or confidential materials to us.

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

Your designated General Manager, or the designated Operating Principal must participate personally in the direct operation of the Franchised Business. You or Your designated Operating Principal must attend and satisfactorily complete the initial training program conducted by us as described in ITEM 11. We may require or permit additional individuals (i.e., your designated General Manager) to attend some or all of the initial training program, at our option and may require you to pay a fee for their attendance. Your designated Operating Principal will oversee the management and supervision of the Franchised Business. Your Operating Principal will control and be solely responsible for the day-to-day operation of the Franchised Business and the terms and conditions and employment of your personnel, including the soliciting, hiring, firing, disciplining, paying, scheduling, and managing of your employees. If you have a General Manager, your General Manager will be responsible for the oversight and management of the day-to-day operations and personnel. The General Manager and the Operating Principal may be the same person, if he/she is qualified to perform both roles and duties, and is approved by us.

All functions of the Franchised Business must be provided by you or your employees.

The Operating Principal and General Manager must sign a Non-Disclosure and Non-Competition Agreement, the form of which is attached to the Franchise Agreement as Exhibit E. All of your employees and other agents or representatives who may have access to our confidential information must sign a confidentiality agreement (unless they have already signed a Non-Disclosure and Non-Competition Agreement), in a form that we provide.

If you are a legal entity, we will require all individuals owning a direct or indirect interest in you to execute the personal guaranty of your obligations attached to the Franchise Agreement as Exhibit D.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must provide only the BidExecs Services and Products and/or other services or products that we approve. You may not perform any services or offer for sale any products that we have not authorized in writing. See ITEM 8 and ITEM 9, above. We have the right to change the BidExecs Services and Products and any other types of authorized services and products, without limitation.

You many provide the BidExecs Services and Products only to clients and prospective clients located within the Designated Marketing Area. You must keep your Franchised Business open and in normal operation for such hours and days as may be necessary to service the clients in this industry or as we may from time to time specify in the Manuals.

We may change, supplement, improve, or modify the System at any time, as we deem appropriate. These changes may include, among others, the adoption or use of new or different services, products or equipment for Franchised Business; development of new techniques and methods for the promotion and sale of services and products; and the use of new marks or copyrights. You must, upon reasonable notice, accept, adopt, implement, use, and display any change to the System we may make, at your expense. There are no limits on our right to make changes.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

The following table lists certain important provisions of the Franchise Agreement pertaining to renewals, terminations, transfers and dispute resolutions. You should read those provisions in the Franchise Agreement attached as Exhibit C to this Disclosure Document.

THE FRANCHISE RELATIONSHIP

Provision	Section in the Agreement	Summary
a. Term of the franchise	2.1	The initial term expires 5 years after the Effective Date of the Franchise Agreement.
b. Renewal or extension of the term	2.2	If we do not exercise our right to purchase your renewal right under the Franchise Agreement, you may renew for 1 additional term, which will be for five years.
c. Requirements for you to renew or extend	2.2.1 – 7	"Renewal" means the right to sign a successor franchise agreement. No default may exist under the existing agreement. Provide notice of renewal at least 12 months in advance and no more than 18 months in advance. We may require that: you sign a then-current form of Franchise Agreement (which may increase the fees payable by you), sign a general release (see Exhibit F), all monetary obligations have been met, and you pay a Renewal Fee. We also may require that you complete additional training.
d. Termination by you	Not Applicable	Not Applicable, subject to state law
e. Termination by us without cause	Not Applicable	Not Applicable
f. Termination by us with cause	13	We may terminate the Franchise Agreement upon default.
g. "Cause" defined-defaults which can be cured	13.3	Except for defaults that cannot be cured (see below), you have 30 days to cure operational defaults and 5 days to cure monetary defaults.
h. "Cause" defined defaults which cannot be cured	13.1, 13.2, and 13.4	"**Cause**" includes danger to health or safety, bankruptcy, assignment for the benefit of creditors, felony conviction, repeated violations, execution of levy not discharged within five days, attachment of property, and unsatisfied final judgments of $10,000 or more for 30 days or longer, and default under any other agreement between you and us or our affiliates.
i. Your obligations on termination and non-renewal	14.1, 10.6	You must cease to operate the Franchised Business, pay any amounts due plus liquidated damages, cease the use of our Marks, de-identify the Franchised Business, return our Manuals, cancel any assumed name or equivalent registration, which contains the Marks, and comply with post-term covenant not to compete.

Provision	Section in the Agreement	Summary
j. Assignment of contract by us	12.1	The Franchise Agreement has no restriction on our right to assign.
k. "Transfer" by you – definition	12.3	The term "**transfer**" includes the transfer of the Franchise Agreement, the assets of the Franchised Business, or any interest in you.
l. Our approval of transfer by you	12.4	We have the right to approve all transfers; we will not withhold our consent unreasonably.
m. Conditions for our approval of transfer	12.4	No default may exist and you must pay all amounts due and sign a general release; the transferee must complete our training and meet all of our other requirements, sign our then-current form of Franchise Agreement, and pay a transfer fee.
n. Our right of first refusal to acquire your business	12.6	We have an option for 30 days to purchase upon same terms and conditions offered to the third party.
o. Our option to purchase your business	12.6	We also have an option to purchase your right to renew the Franchise Agreement.
p. Your death or disability	12.7 and 12.8	Upon your death or disability, your interest in the Franchise Agreement or Franchisee must be transferred to a third party whom we approve. We will not withhold consent unreasonably to a transfer to a third party within 6 months, provided the transferee meets our general conditions of transfer.
q. Non-competition covenants during the term of the franchise	10.5	You cannot divert business to a competitor. You cannot operate any "**competitive business**", which means any: (i) business that provides assistance in connection with identifying or responding to requests for proposal or other contract opportunities, or services that are competitive with or substantially similar to them, or (ii) any private company that generates more than five percent (5%) of its revenue from the sale of goods and services to governmental entities, subject to state law.
r. Non-competition covenants after the franchise terminates or expires	10.6	For a period of three years, you cannot have an interest in or operate a competitive business within the Designated Marketing Area or within 50 miles of any BidExecs Business, subject to state law.
s. Modification of the agreement	23	The Franchise Agreement may not be modified unless you and we mutually agree in writing to modify it.
t. Integration/ merger clause	23	Only the written terms of the Franchise Agreement and exhibits bind the parties (subject to applicable state law). Any representations or promises outside of this Disclosure Document and Franchise Agreement may not be enforceable.

Provision	Section in the Agreement	Summary
u. Dispute resolution by arbitration or mediation	17	The parties must arbitrate any controversy or claim, except that either party may file for preliminary injunctive relief, a restraining order, or order of specific performance, including, without limitation, injunctive relief pertaining to the use of the BidExecs System and Marks.
v. Choice of forum	17.2 and 17.3	Any litigation or arbitration must take place in Reston, Virginia, subject to applicable state law. See Exhibit D.
w. Choice of law	17.1 and 17.3	Virginia law applies, subject to applicable state law. See Exhibit D.

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote the Franchised Business.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The Federal Trade Commission's Franchise Rule permits us to provide information about the actual or potential financial performance of our franchised and/or company-owned Franchised Businesses, if a reasonable basis for the information exists and we include the information in this Disclosure Document. We may give financial performance information that differs from the information included in this Item 19 only if (1) we provide the actual records of an existing Franchised Business that you are buying or (2) we supplement the information provided in this item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a Franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 our Founder and CEO, Reena Bhatia, at 13800 Coppermine Road, Suite 100, Herndon, Virginia 20171 or reena@bidexecs.com and (703) 590-7309, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION*

TABLE NO. 1
SYSTEM-WIDE OUTLET SUMMARY
FOR FISCAL YEARS 2020 TO 2022

Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2020	0	0	0
	2021	0	3	+3
	2022	3	6	+3
Company-Owned*	2020	1	1	0
	2021	1	1	0
	2022	1	1	0
Total Outlets	**2020**	**1**	**1**	**0**
	2021	**1**	**4**	**+3**
	2022	**4**	**7**	**+3**

*Our affiliate, ProposalHelper, operates a business that provides services and products similar to those provided by a BidExecs Business.

TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN FRANCHISOR)
FOR FISCAL YEARS 2020 TO 2022

State	Year	Number of Transfers
All States	2020	0
	2021	0
	2022	0
Totals	**2020**	**0**
	2021	**0**
	2022	**0**

TABLE NO. 3
FRANCHISED OUTLETS STATUS SUMMARY
FOR FISCAL YEARS 2020 TO 2022

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Sold to Franchisee	Termina-tions	Non-Renewals	Outlets Reacquired by Franchisor	Outlet Ceased Operations for Other Reasons	Outlets at End of the Year
Colorado	2020	0	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	0	1
Louisiana	2020	0	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	0	1
Texas	2020	0	0	0	0	0	0	0	0
	2021	0	2	0	0	0	0	0	2
	2022	2	2	0	0	0	0	0	4
Totals	**2020**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2021	**0**	**3**	**0**	**0**	**0**	**0**	**0**	**3**
	2022	**3**	**3**	**0**	**0**	**0**	**0**	**0**	**6**

TABLE NO. 4
COMPANY-OWNED OUTLETS STATUS SUMMARY
FOR FISCAL YEARS 2020 TO 2022

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets At End of Year
Virginia	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Totals	**2020**	**1**	**0**	**0**	**0**	**0**	**1**
	2021	**1**	**0**	**0**	**0**	**0**	**1**
	2022	**1**	**0**	**0**	**0**	**0**	**1**

TABLE NO. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2022

State	Franchise Agreement 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	0	0
Colorado	0	0	0
Florida	0	1	0
Georgia	0	1	0
Pennsylvania	0	1	0
North Carolina	0	1	0
South Carolina	0	1	0
Texas	0	0	0
Totals	**0**	**6**	**0**

Our fiscal year ends on December 31st of each year.

Lists of Current and Former Franchisees

Exhibit E reflects the name of each of our franchisees and the address and telephone numbers of their businesses as of December 31, 2022. Exhibit E also reflects the name, city, state, and current business telephone number of every franchisee who ceased to do business under the Franchise Agreement or had an outlet terminated, canceled, not renewed, or transferred within the last fiscal year ended December 31, 2022, or who has not communicated with us within 10 weeks of the application date of this Disclosure Document. As of the date of this Disclosure Document, we do not have any former franchisees.

If you buy a Franchised Business, we may disclose your contact information to other buyers when you leave the BidExecs system.

Purchase of Previously-Owned Franchise

If you are purchasing a previously-owned franchised outlet, we will provide you additional information on the previously-owned franchised outlet in an addendum to this Disclosure Document.

Confidentiality Clauses

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak only about their experience with BidExecs. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

Trademark-Specific Franchisee Organizations

There is no active Franchisee organization associated with the System.

ITEM 21
FINANCIAL STATEMENTS

Exhibit B to this Disclosure Document contains our audited financial statements as of December 31, 2022 and 2021, and for the years ended December 31, 2022, 2021, and 2020. In addition, we have included unaudited financial statements for the period beginning January 1, 2023 through August 31, 2023. Our fiscal year end is December 31st.

ITEM 22
CONTRACTS

The following agreements are attached as exhibits to this Disclosure Document:

Exhibit C	Franchise Agreement (and Exhibits)
Exhibit D	State Specific Addenda
Exhibit F	Form of General Release

ITEM 23
RECEIPTS

Two copies of a receipt of this Disclosure Document appear as the last two pages of this document. Please sign and return one copy to us and keep the other copy for your records.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
California	Commissioner of Financial Protection and Innovation California Department of Financial Protection and Innovation	320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 1-866-275-2677
Hawaii (State Administrator)	Commissioner of Securities Dept. of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch	335 Merchant Street Room 203 Honolulu, HI 96813
Illinois	Illinois Attorney General	500 South Second Street Springfield, IL 62706
Indiana (State Administrator)	Indiana Securities Commissioner Securities Division	302 West Washington Street, Room E111 Indianapolis, IN 46204
Indiana (Agent)	Indiana Secretary of State	302 West Washington Street, Room E018 Indianapolis, IN 46204
Maryland (State Administrator)	Office of the Attorney General Division of Securities	200 St. Paul Place Baltimore, MD 21202-2020
Maryland (Agent)	Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Department of Attorney General Consumer Protection Division	G. Mennen Williams Building, 1st Floor 525 West Ottawa Street Lansing, MI 48933
Minnesota	Commissioner of Commerce Minnesota Department of Commerce	85 7th Place East, Suite 280 St. Paul, MN 55101-2198
New York (State Administrator)	NYS Department of Law Investor Protection Bureau	28 Liberty Street, 21st Floor New York, NY 10005 212-416-8236
New York (Agent)	New York Secretary of State	One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 12231-0001
North Dakota	Securities Commissioner North Dakota Securities Department	600 East Boulevard Avenue State Capitol, Fourteenth Floor Bismarck, ND 58505-0510
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Avenue John O. Pastore Complex – Building 69-1 Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Insurance - Securities Regulation	124 S. Euclid, Suite 104 Pierre, SD 57501-3185
Virginia (State Administrator)	State Corporation Commission Division of Securities and Retail Franchising	1300 East Main Street, 9th Floor Richmond, VA 23219 804-371-9051
Virginia (Agent)	Clerk of the State Corporation Commission	1300 East Main Street, 1st Floor Richmond, VA 23219-3630
Washington	Department of Financial Institutions Securities Division	150 Israel Road SW Tumwater, WA 98501 360-902-8760
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 201 W. Washington Ave., Suite 300 Madison, WI 53703

EXHIBIT B

FINANCIAL STATEMENTS

BIDEXECS FRANCHISING, LLC
(A Limited Liability Company)

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021, AND PERIOD FROM JANUARY 13, 2020 (INCEPTION) THROUGH DECEMBER 31, 2020

BIDEXECS FRANCHISING, LLC
(A Limited Liability Company)
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021, AND FOR THE PERIOD FROM JANUARY 13, 2020 (INCEPTION) THROUGH DECEMBER 31, 2020

Table of Contents

Citrin Cooperman & Company, LLP
Certified Public Accountants

50 Rockefeller Plaza
New York, NY 10020
T 212.697.1000 **F** 212.697.1004
citrincooperman.com

INDEPENDENT AUDITOR'S REPORT

To the Member
BidExecs Franchising, LLC

Opinion

We have audited the accompanying financial statements of BidExecs Franchising, LLC, which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of operations and changes in member's deficit, and cash flows for the years then ended and for the period from January 13, 2020 (inception) through December 31, 2020, 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 BidExecs Franchising, LLC as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended and for the period from January 13, 2020 through December 31, 2020, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of BidExecs Franchising, LLC 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 BidExecs Franchising, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 BidExecs Franchising, LLC'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 BidExecs Franchising, LLC'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.

Citrin Cooperman & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS

New York, New York
September 21, 2023

BIDEXECS FRANCHISING, LLC
(A Limited Liability Company)
BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
Current assets:		
Cash	$ 16,146	$ 55,681
Accounts receivable	76,213	-
Prepaid commissions, current	14,667	2,000
Total current assets	107,026	57,681
Other assets:		
Prepaid commissions, net of current portion	-	6,500
TOTAL ASSETS	$ 107,026	$ 64,181
LIABILITIES AND MEMBER'S DEFICIT		
Current liabilities:		
Accrued expenses	$ 13,822	$ 14,495
Accounts payable	37,903	60,528
Due to related party	3,019	10,206
Deferred revenue	60,021	-
Deferred franchise fees, current	66,582	13,690
Total current liabilities	181,347	98,919
Long-term liabilities:		
Deferred franchise fees, net of current portion	12,013	37,507
Total liabilities	193,360	136,426
Commitments and contingencies (Notes 7 and 8)		
Member's deficit	(86,334)	(72,245)
TOTAL LIABILITIES AND MEMBER'S DEFICIT	$ 107,026	$ 64,181

See accompanying notes to financial statements.

BIDEXECS FRANCHISING, LLC
(A Limited Liability Company)
STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021, AND FOR THE PERIOD FROM JANUARY 13, 2020 (INCEPTION) THROUGH DECEMBER 31, 2020

	2022	2021	2020
Revenues	$ 204,970	$ 35,673	$ -
Selling, general and administrative expenses	221,334	92,392	40,526
Net loss	(16,364)	(56,719)	(40,526)
Member's deficit - beginning	(72,245)	(15,526)	-
Member's contribution	2,275	-	25,000
MEMBER'S DEFICIT - ENDING	$ (86,334)	$ (72,245)	$ (15,526)

See accompanying notes to financial statements.

BIDEXECS FRANCHISING, LLC
(A Limited Liability Company)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021, AND FOR THE PERIOD FROM JANUARY 13, 2020 (INCEPTION) THROUGH DECEMBER 31, 2020

	2022	2021	2020
Cash flows from operating activities:			
Net loss	$ (16,364)	$ (56,719)	$ (40,526)
Provision for losses on accounts receivable	792	-	-
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Accounts receivable	(77,005)	-	-
Prepaid commissions	(6,167)	(8,500)	-
Accounts payable and accrued expenses	(23,298)	62,327	12,695
Due to related party	(7,187)	6,376	3,831
Deferred revenue	87,419	51,197	-
Net cash provided by (used in) operating activities	(41,810)	54,681	(24,000)
Cash provided by financing activities:			
Member's contribution	2,275	-	25,000
Net increase (decrease) in cash	(39,535)	54,681	1,000
Cash - beginning	55,681	1,000	-
CASH - ENDING	$ 16,146	$ 55,681	$ 1,000

See accompanying notes to financial statements.

NOTE 1. ORGANIZATION

BidExecs Franchising, LLC (the "Company" or "Franchisor") was formed on January 13, 2020, as a Virginia limited liability company which is a wholly-owned subsidiary of BidExecs Holding Company, Inc. (the "Parent"), to sell franchises pursuant to a non-exclusive license agreement dated January 13, 2020, between the Company and BidExecs-IP, LLC (the "Licensor"), an entity related to the Company by common ownership and control. Pursuant to the Company's standard franchise agreement, franchisees will operate businesses known as "BidExecs Services and Products" and "BidExecs Business" in the United States of America. Franchisees will operate a consulting and proposal management business, under the BidExecs tradename, which will provide proposal services including, but not limited to, proposal development and editing, graphic design, and desktop publishing and quality control services.

The Company is a limited liability company and, therefore, the member is not liable for the debts, obligations or other liabilities of the Company, whether arising in contract, tort or otherwise, unless the member has signed a specific guarantee.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Accounts receivable
Accounts receivable are stated at the amount the Company expects to collect. The Company maintains allowances for doubtful accounts for estimated losses resulting from the inability of some of its franchisees to make required payments. Management considers the following factors when determining the collectibility of specific franchisee accounts: franchisee creditworthiness, past transaction history with the franchisee, and current economic industry trends. If the financial condition of the Company's franchisees were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Company has made reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Company had no allowances for doubtful accounts at December 31, 2022, 2021 and 2020.

Revenue and cost recognition
The Company derives its revenue from franchise fee revenue, brand fund revenue, business development services, royalties and other fees related to franchise agreements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and cost recognition (continued)

Franchise fees and royalties

Contract consideration from franchisees primarily consists of initial or renewal franchise fees, sales-based royalties, sales-based brand fund fees and renewal or transfer fees payable by a franchisee for the transfer of their franchise unit to another franchisee. The initial franchise fees are nonrefundable and collectable when the underlying franchise agreement is signed by the franchisee. Sales-based royalties and brand fund fees are payable on a monthly basis. Renewal and transfer fees are due from franchisees when an existing franchisee renews the franchise agreement for an additional term or when a transfer to a third party occurs, respectively.

The Company's primary performance obligation under the franchise agreement mainly includes granting certain rights to access the Company's intellectual property and a variety of activities relating to opening a franchise unit, including site selection, training and other such activities commonly referred to collectively as "preopening activities." Pre-opening activities consistent with those under Accounting Standards Update ("ASU") No. 2021-02, *Franchisors - Revenue from Contracts with Customers* (Subtopic 952-606), are recognized as a single performance obligation. For all other pre-opening activities, if any, the Company determines if a certain portion of those pre-opening activities provided is not brand-specific and provides the franchisee with relevant general business information that is separate from the operation of a Company-branded franchise unit. The portion of pre-opening activities, if any, that is not brand-specific is deemed to be distinct as it provides a benefit to the franchisee and is not highly interrelated to the use of the Company's intellectual property and therefore accounted for as a separate performance obligation. All other pre-opening activities are determined to be highly interrelated to the use of the Company's intellectual property and therefore accounted for as a component of a single performance obligation which is satisfied along with granting of certain rights to use the Company's intellectual property over the term of each franchise agreement.

All other pre-opening activities are determined to be highly interrelated to the use of the Company's intellectual property and therefore accounted for as a single performance obligation, which is satisfied by granting certain rights to use the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company first allocates the initial franchise fees and the fixed consideration under the franchise agreement to the stand-alone selling price of the pre-opening activities and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities is recognized when the franchisee location opens.

Initial and renewal franchise fees allocated to the right to access the Company's intellectual property are recognized as revenue on a straight-line basis over the term of the respective franchise agreement.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and cost recognition (continued)

Franchise fees and royalties (continued)

Royalties are earned as a percentage of franchisee gross sales ("sales-based royalties") over the term of the franchise agreement, as defined in each respective franchise agreement. Franchise royalties which represent sales-based royalties that are related entirely to the use of the Company's intellectual property are recognized as franchisee sales occur and the royalty is deemed collectible.

Brand fund

The Company has reserved the right to establish a brand fund to collect and administer funds contributed for use in advertising and promotional programs for franchise units. Franchisees are charged up to 0.5% of their monthly gross sales by the national brand fund in accordance with the Company's standard franchise agreement. As of December 31, 2022, the Company has not yet established a brand fund. The Company has determined that it acts as a principal in the collection and administration of the brand fund and therefore recognizes the revenues and expenses related to the brand fund on a gross basis. The Company has determined that the right to access its intellectual property and administration of the brand fund are highly interrelated and therefore are accounted for as a single performance obligation. As a result, revenues from the brand fund represent the right to access the Company's intellectual property, which are recognized as franchisee sales occur.

When brand fund fees exceed the related brand fund expenses in a reporting period, advertising costs will be accrued up to the amount of brand fund revenues recognized.

Business development services

The Company provides business development services and proposal delivery services to franchisees and other customers, which include business consulting services, business development, and proposal management, which are recognized on a straight-line basis in accordance with the terms of the underlying agreements.

The Company may also receive payments in advance from customers. Such revenues are treated as unearned revenue and recognized ratably over the term of the respective agreement. Unearned revenue is classified as "Deferred revenue" in the accompanying balance sheets.

Other revenues

All other fees are recognized as services are rendered or when payment is received.

Incremental costs of obtaining a contract

The Company capitalizes direct and incremental costs, principally consisting of commissions, associated with the sale of franchises and amortizes them over the term of the franchise agreement.

Income taxes

As a single-member limited liability company and, therefore, a disregarded entity for income tax purposes, the Company's assets and liabilities are combined with and included in the income tax return of the Parent. Accordingly, the accompanying financial statements do not include a provision or liability for federal or state income taxes.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes (continued)
The Company recognizes and measures its unrecognized tax benefits in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740, *Income Taxes*. Under that guidance, management assesses the likelihood that tax positions will be sustained upon examination based on the facts, circumstances and information, including the technical merits of those positions, available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available or when an event occurs that requires a change. There were no uncertain tax positions at December 31, 2022, 2021 and 2020.

The Parent files income tax returns in the U.S. federal jurisdiction and in various state jurisdictions.

Advertising
Advertising costs are expensed as incurred and amounted to $6,619, $1,560 and $- for the years ended December 31, 2022 and 2021, and the period from January 13, 2020 (inception) through December 31, 2020, respectively.

Franchised outlets
The following data represents the Company's franchised outlets as of December 31, 2022, 2021 and 2020, as follows:

	2022	2021	2020
Franchises sold	6	3	-
Franchises purchased	-	-	-
Franchised outlets in operation	5	3	1

Recently issued but not yet effective accounting pronouncements
In June 2016, FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, and subsequent amendment to the initial guidance: ASU No. 2018-19, *Codification Improvements to Topic 326, Financial Instruments - Credit Losses* (collectively, "Topic 326"). Topic 326 introduces a new forward-looking approach, based on expected losses, to estimate credit losses on certain types of financial instruments, including trade receivables. The estimate of expected credit losses will require entities to incorporate considerations of historical information, current information, and reasonable and supportable forecasts and will generally result in earlier recognition of allowances for losses. For non-public companies, Topic 326 will be effective for annual and interim reporting periods beginning after December 15, 2022. The guidance is to be applied using the modified retrospective approach. The Company is in the process of assessing the impact of Topic 326 on its financial statements.

Subsequent events
In accordance with FASB ASC 855, *Subsequent Events*, the Company has evaluated subsequent events through September 21, 2023, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements, except as disclosed in Notes 3 and 8.

NOTE 3. LIQUIDITY AND MEMBER'S DEFICIT

The Company has sustained losses and negative working capital and, as a result, has a member's deficit of $86,334 as of December 31, 2022. Since inception, the Company's operations have been funded primarily through a combination of contributions from the Parent and proceeds from a related party, affiliated by common control and ownership. The Company is growing and, as such, is incurring expenditures in the near term to benefit the future as it looks to sell franchises in various new markets.

Subsequent to the year ended December 31, 2022, management has taken several actions to improve operations mainly through the sales of franchises. As of the date these financial statements were available to be issued, the Company has opened two additional franchises, which were signed in 2022 and 2023, and will begin to collect royalties from the newly opened franchises sold. The Company believes that the combination of the actions taken will enable it to meet its funding requirements for one year from the date these financial statements were available to be issued. If necessary, management of the Company has been advised that the Parent, and the Company's related party, will continue to provide any financial assistance needed by the Company should its cash flows from operations combined with its available cash balances not be sufficient to meet its working capital needs. Management believes that the Parent and the Company's related party have the intent and ability to provide the funds needed, if any, to continue to fund the operations of the Company for at least one year from the date these financial statements were available to be issued.

NOTE 4. CONCENTRATION OF CREDIT RISK

The Company places its cash, which may at times be in excess of Federal Deposit Insurance Corporation insurance limits, with major financial institutions. Management believes that this policy will limit the Company's exposure to credit risk.

Customer receivables

For the years ended December 31, 2022, three customers accounted for approximately 85% of the Company's receivables. At December 31, 2021 and 2020, the Company had no receivables.

NOTE 5. REVENUES AND RELATED CONTRACT BALANCES

The Company derives its revenues from franchise locations throughout the United States. The economic risks of the Company’s revenues are dependent on the strength of the economy in the United States and its ability to collect on its contracts. The Company disaggregates revenue from contracts with customers by geographic region and timing of revenue recognition by type of revenues, as it believes this best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. For the years ended December 31, 2022 and 2021, and for the period from January 13, 2020 (inception) through December 31, 2020, the Company's franchise fees and royalties, brand fund fees, and other revenues were only based in the geographical region of the United States in the amount of $204,970, $35,673 and $-, respectively.

NOTE 5. REVENUES AND RELATED CONTRACT BALANCES (CONTINUED)

Revenues by timing of recognition were as follows:

	2022	2021	2020
Point in time:			
Technology fees	$ 13,750	$ -	$ -
Royalty revenue	3,254	2,995	-
Proposal services	21,190	3,275	-
Franchise fees	6,400	-	-
Initial training fees	22,000	16,500	-
Total point in time	66,594	22,770	-
Over time:			
Franchise fees	16,032	6,573	-
Business development	122,344	6,330	-
Total over time	138,376	12,903	-
Total revenues	$ 204,970	$ 35,673	$ -

Contract balances

Accounts receivable as of December 31, 2022 and 2021, are $76,213, and $-, respectively.

Contract liabilities are comprised of unamortized initial franchise and business development fees received from franchisees, which are presented as "Deferred revenue" and "Deferred franchise fees" in the accompanying balance sheets. A summary of significant changes in deferred revenues during the years ended December 31, 2022 and 2021, is as follows:

	2022	2021
Deferred franchise revenues - beginning of year	$ 48,527	$ -
Revenue recognized during the year	(22,432)	(6,573)
Additions for initial franchise fees and business development fees received	112,521	55,100
Deferred business development and deferred franchise revenues - end of year	$ 138,616	$ 48,527

NOTE 5. REVENUES AND RELATED CONTRACT BALANCES (CONTINUED)

Contract balances (continued)
At December 31, 2022, deferred franchise and deferred business development revenues are expected to be recognized as revenue over the remaining term of the associated franchise agreements as follows:

Year ending December 31:	Deferred franchise fees	Deferred business development fees
2023	$ 66,582	$ 60,021
2024	1,360	-
2025	1,360	-
2026	1,360	-
2027	1,360	-
Thereafter	6,573	-
Total	$ 78,595	$ 60,021

Deferred franchise revenues consisted of the following at December 31, 2022 and 2021:

	2022	2021
Franchise units not yet opened	$ 19,773	$ -
Opened franchise units	58,822	48,527
Total	$ 78,595	$ 48,527

The direct and incremental costs, principally consisting of commissions, are included in "Prepaid commissions" in the accompanying balance sheets, and over the remaining terms of the associated franchise agreements at December 31, 2022, as follows:

Year ending December 31:	Amount
2023	$ 14,667

NOTE 6. ADVERTISING FEES

National Brand Fund
The Company collects an advertising fee of 0.5% from its "growth services" franchisees, in accordance with the Company's standard franchise agreement. The advertising fee is part of the National Brand Fund ("Brand Fund") and is utilized for the benefit of the Company's businesses, with some funds used to pay the Company's administrative costs for its administration. Pursuant to the standard franchise agreement, the Company is not required to segregate and restrict monies collected on behalf of the Brand Fund. In addition to the advertising fund, each "growth services" franchisee is required to spend at least 2% of gross revenues per month or $1,000 per month, whichever is greater, on local advertising and promotions in accordance with the franchise agreement. "Area representative" franchisees are not required to contribute to the Brand Fund and are required to spend at least $2,000 per month on local advertising and promotions in accordance with the area representative franchise agreement. As of December 31, 2022, the Company has not collected any Brand Fund Fees.

NOTE 6. ADVERTISING FEES (CONTINUED)

Regional advertising cooperative

The Company reserves the right to establish a regional advertising cooperative ("Regional Advertising Cooperative") for a region in which a Company's business is located and require "growth services" franchisees to contribute a percentage of their gross sales in accordance with the Company's standard franchise agreement. The activities carried on by a Regional Advertising Cooperative would be determined by the majority of the cooperative's shareholders. Any contributions to a Regional Advertising Cooperative will be credited towards a franchisee's local advertising expenditures in accordance with the Company's standard franchise agreement. As of December 31, 2022, the Company has not yet established the Cooperative Program.

NOTE 7. RELATED-PARTY TRANSACTIONS

License agreement

On January 13, 2020, the Company entered into a non-exclusive royalty free license agreement (the "License Agreement") with the Licensor, a related party under common ownership. The License Agreement commences on the effective date set forth in the agreement and shall remain in effect indefinitely unless terminated, as described in the agreement. Pursuant to the License Agreement, the Company acquired the right to sell "BidExecs" franchises in the United States of America, and the right to earn franchise fees, royalties and other fees from franchisees.

Due to related party

In the ordinary course of business, the Company periodically advances funds to and receives funds from an entity related to the Company by common ownership and control. No interest is charged on these advances. Advances to and from the entity are unsecured and have no specific repayment terms. At December 31, 2022 and 2021, the net balance due to the related party amounted to $3,019 and $10,206, respectively.

NOTE 8. CONTINGENCIES

The Company is involved in certain claims and litigation arising in the ordinary course of its business. Claims and litigations are in various stages, and as of the date of the financial statements, four franchises have been terminated.

UNAUDITED FINANCIAL STATEMENTS

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

BidExecs Franchising LLC

Balance Sheet

As of August 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Citi Bank	0.00
Citibank BidExecs - 9250786107	56,290.54
Clearing Account	0.00
Fulton Bank - 92401036	2,530.05
Total Bank Accounts	**$58,820.59**
Accounts Receivable	
Accounts Receivable (A/R)	67,300.71
Total Accounts Receivable	**$67,300.71**
Other Current Assets	
1002 Undeposited Funds	0.00
1700 Prepaid Commissions - Current	14,666.67
1750 Prepaid Commissions - LT	0.00
Total Other Current Assets	**$14,666.67**
Total Current Assets	**$140,787.97**
Other Assets	
1008 Website	0.00
Total Other Assets	**$0.00**
TOTAL ASSETS	**$140,787.97**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	55,846.56
Total Accounts Payable	**$55,846.56**
Other Current Liabilities	
2003 Accrued Expenses	13,822.00
2004 Accounts Payable	0.00
2005 Deferred franchise fees	66,581.67
2100 Deferred Revenue	60,020.70
Total Other Current Liabilities	**$140,424.37**
Total Current Liabilities	**$196,270.93**
Long-Term Liabilities	
2155 Deferred Franchise Fees - LT	12,013.33
Due to/from ProposalHelper, LLC	518.88
Total Long-Term Liabilities	**$12,532.21**
Total Liabilities	**$208,803.14**

BidExecs Franchising LLC

Balance Sheet

As of August 31, 2023

	TOTAL
Equity	
3000 Retained Earnings	-88,609.81
3001 Partner Contributions	2,275.00
Owner's Pay & Personal Expenses	-51,739.50
RB's Owner's Investment	0.00
Net Income	70,059.14
Total Equity	**$ -68,015.17**
TOTAL LIABILITIES AND EQUITY	**$140,787.97**

BidExecs Franchising LLC

Profit and Loss

January - August, 2023

	TOTAL
Income	
4000 Royalties	5,520.00
4005 Franchise Fee	25,000.00
4006 Tech Fee	11,250.00
4015 Initial Training Fees - Franchise	5,500.00
4016 Business Development Services	229,746.49
Services	5,178.40
Total Income	**$282,194.89**
GROSS PROFIT	**$282,194.89**
Expenses	
5001 Advertising and Promotional	442.56
5006 Bank Service Charges	51.00
5008 Business Development	22,320.00
5012 Consultant-Outside Contractor	60,039.19
5012-1 Consulting Fees	2,000.00
Total 5012 Consultant-Outside Contractor	**62,039.19**
5019 Legal & Professional Services	77,978.12
5033 Software	5,026.83
5044 Website (Expenses)	43,000.00
Insurance	695.30
QuickBooks Payments Fees	582.75
Total Expenses	**$212,135.75**
NET OPERATING INCOME	**$70,059.14**
NET INCOME	**$70,059.14**

BidExecs Franchising LLC

Trial Balance

As of August 31, 2023

	DEBIT	CREDIT
Citi Bank	0.00	
Citibank BidExecs - 9250786107	56,290.54	
Clearing Account	0.00	
Fulton Bank - 92401036	2,530.05	
Accounts Receivable (A/R)	67,300.71	
1002 Undeposited Funds	0.00	
1700 Prepaid Commissions - Current	14,666.67	
1750 Prepaid Commissions - LT	0.00	
1008 Website	0.00	
Accounts Payable (A/P)		55,846.56
2003 Accrued Expenses		13,822.00
2004 Accounts Payable		0.00
2005 Deferred franchise fees		66,581.67
2100 Deferred Revenue		60,020.70
2155 Deferred Franchise Fees - LT		12,013.33
Due to/from ProposalHelper, LLC		518.88
3000 Retained Earnings	88,609.81	
3001 Partner Contributions		2,275.00
Owner's Pay & Personal Expenses	51,739.50	
RB's Owner's Investment		0.00
4000 Royalties		5,520.00
4005 Franchise Fee		25,000.00
4006 Tech Fee		11,250.00
4015 Initial Training Fees - Franchise		5,500.00
4016 Business Development Services		229,746.49
Services		5,178.40
5001 Advertising and Promotional	442.56	
5006 Bank Service Charges	51.00	
5008 Business Development	22,320.00	
5012 Consultant-Outside Contractor	60,039.19	
5012-1 Consultant-Outside Contractor:Consulting Fees	2,000.00	
5019 Legal & Professional Services	77,978.12	
5033 Software	5,026.83	
5044 Website (Expenses)	43,000.00	
Insurance	695.30	
QuickBooks Payments Fees	582.75	
TOTAL	**$493,273.03**	**$493,273.03**

<u>EXHIBIT C</u>

FRANCHISE AGREEMENT

BIDEXECS
GROWTH SERVICES FRANCHISE AGREEMENT

SUMMARY PAGE

This Summary Page summarizes certain provisions of this Franchise Agreement to which it is attached. In the event of any conflict in the Summary Page and the Franchise Agreement, the provisions of the Franchise Agreement will control.

(*Both Parties Initial to Reflect Franchise Track and Services Franchisee Will Offer*)

Franchise Track: ___ ___ Business Development Track

___ ___ Proposal Management Track

Services Franchisee
Will Offer: Business Development Track means business development related services, and primarily consists of business development, and capture support solutions.

Proposal Management Track means proposal management related services, proposal coordination, proposal editing, outline services, compliance matrix for reviewers, proposal schedule, production checklist, technical solutioning, technical writing, independent content review, graphics design, desktop publishing, production support, and related services necessary to provide clients with a complete proposal solution.

Designated Marketing Area: ____ ____, as geographically constituted as of the Effective Date.

Initial Franchise Fee: $35,000 (for one Track)

Initial Training Fee: $5,500

TABLE OF CONTENTS

Page

BIDEXECS GROWTH SERVICES FRANCHISE AGREEMENT

BidExecs Franchising, LLC ("**BidExecs**" or "**Franchisor**"), a Virginia limited liability company, and the undersigned (the "**Franchisee**") enter into this Franchise Agreement (this "**Agreement**") as of the ____ day of __________, 20___ (the "**Effective Date**").

<u>RECITALS</u>

A. BidExecs, as the result of the expenditure of significant time, skill, effort and money, has developed a distinctive and proprietary system (the "**BidExecs System**" or "**System**") for establishing and operating businesses that support organizations in responding to requests for proposal and other contract opportunities by providing, among other things, the following services: business development, capture consulting, and/or proposal management services, proposal development and editing, graphic design, and desktop publishing and quality control services and related services and products that BidExecs designates or approves under the System and the Marks (defined below) ("**BidExecs Services and Products**"), and which feature proprietary tools to provide end-to-end services in the contracting sector (each referred to generally as a "**BidExecs Business**");

B. The distinguishing characteristics of the System include, among other things: BidExecs' proprietary products; standards, specifications, policies and procedures for business development, consulting and management; quality, distinctiveness and uniformity of services and products; standards, specifications, policy and procedures for identifying and responding to contract opportunities; software and computer programs, client management procedures; BidExecs' training program; and advertising and promotional programs, all as more particularly described and designated in the Manuals (defined in Section 4.4 below) and all of which BidExecs may change, improve, and further develop at its option from time to time;

C. BidExecs identifies the System by means of certain licensed trade names, service marks, trademarks, logos, emblems, and indicia of origin, that have been licensed to BidExecs by its affiliate **BidExecs IP, LLC**, including the name "**BidExecs,**" "**ProposalHelper**" and such other trade names, service marks and trademarks as are now designated (and may hereinafter be designated by BidExecs or its affiliate in writing) for use in connection with the System (the "**Marks**"). BidExecs and its affiliate continue to develop, use and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance, and service;

D. Franchisee desires to operate a BidExecs Business and to receive the training and other assistance provided by BidExecs in connection therewith; and

E. Franchisee understands and acknowledges the importance of BidExecs' high standards of quality and service and the necessity of operating the business franchised under this Agreement in conformity with BidExecs' standards and specifications.

Now, therefore, in consideration of the foregoing and of the covenants contained in this Agreement, the parties agree as follows:

1. <u>GRANT</u>

1.1 <u>Grant of Rights</u>. Upon the terms and conditions set forth in this Agreement, BidExecs hereby grants to Franchisee the right, and Franchisee accepts and undertakes the obligation, to: (a) establish and operate one (1) BidExecs Business under the System (the "**Franchised Business**"); (b) to use, only in connection with the Franchised Business, the Marks and the System, as they may be changed, improved, or further developed from time to time by BidExecs; and (c) and to do so only within the Designated Marketing Area (defined below in Section 1.2). The suite of services that Franchisee shall offer in connection with the Franchised Business are described on the Summary Page (e.g., Business Development Track, Proposal Management Track, or both). The parties agree that Franchisee shall offer only those services that are designated by BidExecs on the Summary Page and agreed to in writing by the parties.

1.2 Designated Marketing Area. Franchisee shall offer, sell and provide the Franchised Business services only to clients and prospective clients located within the Designated Marketing Area. "**Designated Marketing Area**" shall mean the area described in Exhibit A. BidExecs does not grant Franchisee any territorial or exclusive rights. Franchisee shall not advertise or market the BidExecs Services and Products to, or solicit bids from, clients and prospective clients located outside of the Designated Marketing Area. BidExecs retains all rights not expressly granted in this Agreement. For example, without obligation to Franchisee, BidExecs and its affiliates may, among other things, and without any compensation or other recourse to Franchisee, regardless of proximity to or economic impact upon Franchisee or the Franchised Business:

1.2.1 Advertise and promote the brand and System within and outside of the Designated Marketing Area;

1.2.2 Operate and authorize others to operate BidExecs Businesses within and outside of the Designated Marketing Area including;

1.2.2.1. Grant and authorize others ("**Area Representatives**") to operate BidExecs area representative franchises within and outside of the Designated Marketing Area, to, among other things, offer BidExecs Businesses on behalf of BidExec, provide ongoing support to BidExecs franchisees, promote the BidExecs brand, referee client and franchisee issues, and monitor BidExecs Businesses for quality assurance and compliance with BidExecs' standards and specifications (collectively, this franchisee is described as the "**BidExecs Area Representative Business**").

1.2.3 Offer and sell, or license others to offer and sell, any products or services (including those offered by the Franchised Business), under any marks (including the Marks) within and outside of the Designated Marketing Area, and through any means (including through a BidExecs Business);

1.2.4 Establish, operate, and license others to establish and operate any businesses other than BidExecs Businesses within and outside of the Designated Marketing Area, which businesses may be identified by other trademarks and/or may offer or sell products and services that are the same as or similar to the products and services offered by BidExecs Businesses, within and outside of the Designated Marketing Area and despite the proximity of such businesses to the Designated Marketing Area or their actual or threatened impact on sales at Franchisee's BidExecs Business;

1.2.5 Develop or become associated with other concepts (including other franchise systems), whether or not using the System and/or the Marks, and or offer or sell franchises under such concepts within and outside of the Designated Marketing Area;

1.2.6 Acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not) with outlets located anywhere and, even if such businesses are located in the Designated Marketing Area: (i) convert the other businesses to BidExecs Businesses; (ii) permit the other businesses to continue to operate under another name; and/or (iii) permit the other businesses to operate under another name and convert existing BidExecs Businesses to such other name; or

1.2.7 Engage in any other activity, action or undertaking that BidExecs or its affiliates are not expressly prohibited from taking under this Agreement.

1.3 No Right to Subfranchise. Franchisee may not subfranchise, sublicense, or relicense to others any right to use the System or the Marks.

1.4 Additional Designated Services. Franchisee may not offer or sell any additional Designated Services (defined below) unless Franchisee satisfies Franchisor's criteria, standards and specifications for such Designated Services.

2. TERM AND RENEWAL

2.1 Term. Except as otherwise provided herein and unless sooner terminated in accordance with the provisions hereof, the initial term of this Agreement shall commence on the Effective Date and expire on the date that is five (5) years after the Effective Date.

2.2 Renewal. Franchisee may, at its option, renew Franchisee's right to operate the Franchised Business for one (1) additional consecutive term of five (5) years, subject to the following conditions, each of which Franchisee must meet prior to such renewal:

2.2.1 Franchisee shall deliver to BidExecs a written notice of Franchisee's election to renew no fewer than twelve (12) months nor more than eighteen (18) months prior to the end of the initial term;

2.2.2 Franchisee shall pay, in lieu of the initial franchise fee, a renewal fee equal to twenty-five percent (25%) of BidExecs' then-current initial franchise fee for a new BidExecs Business, but in no event less than $5,000 when the Franchisee signs the then-current form of franchise agreement as described in Section 2.2.6, or such other form of agreement as Franchisor designates or prescribes;

2.2.3 Franchisee shall not have received, prior to its election to renew, written notice of a default under this Agreement on more than 3 separate occasions and, from the time of Franchisee's election to renew through the expiration of the initial term, Franchisee shall not have been in default of any provision of this Agreement, any amendment to this Agreement, or any other agreement between Franchisee and BidExecs or its affiliates; and, in the reasonable judgment of BidExecs, Franchisee shall have substantially complied with all the terms and conditions of this Agreement, such other agreements with BidExecs or its affiliates, as well as the operating standards prescribed by BidExecs during the term of this Agreement;

2.2.4 Franchisee shall have satisfied all monetary obligations owed by Franchisee to BidExecs and its affiliates, and shall have timely met those obligations throughout the term of this Agreement;

2.2.5 Franchisee shall execute a general release, in a form satisfactory to BidExecs of any and all claims against BidExecs and its current and former affiliates, and their respective past and present officers, directors, agents, and employees;

2.2.6 Franchisee shall execute BidExecs' then-current form of franchise agreement, which agreement shall supersede this Agreement in all respects (except with respect to the renewal provisions of the new franchise agreement, which shall not supersede this Section 2.2), and Franchisee acknowledges that the terms, conditions, and provisions of which, and the obligations of the parties thereto, may differ substantially from the terms, conditions, provisions and obligations in this Agreement, including a higher percentage Royalty Fee and National Brand Fund contributions or local advertising expenditures, and a different or modified Designated Marketing Area; and

2.2.7 Franchisee and its personnel shall comply with BidExecs' then current qualification and training requirements, prior to commencement of operations under the renewal form of franchise agreement.

2.3 No assurances of a renewal franchise agreement. Franchisee accepts this Agreement with the full and complete understanding that the grant of rights to operate a Franchise hereunder is not a promise or assurance that Franchisee will be granted a renewal franchise agreement.

3. FEES AND PAYMENTS

3.1 Initial Franchise Fee. Franchisee shall pay to BidExecs an initial franchise fee in the amount described on the Summary Pages upon execution of this Agreement (the "**Initial Franchise Fee**"). Except as otherwise stated in this Agreement, the Initial Franchise Fee is fully-earned and non-refundable in consideration of the administrative and other expenses incurred by BidExecs in granting this franchise and for BidExecs' lost or deferred opportunity to offer the rights to this franchise to others. If Franchisee desires the right to provide BidExecs Services and Products under an additional Track (either the Business Development Track or Proposal Management Track), Franchisee shall request in writing BidExecs' approval to provide such additional BidExecs Services and Products. Franchisee acknowledges and agrees that BidExecs has no obligation to approve such request, and that BidExecs may approve or disapprove such request at its option. If BidExecs approves the request, Franchisee shall pay to BidExecs an Initial Franchise Fee of one hundred percent (100%) of the then-current Initial Franchise Fee for a single Track and the parties shall sign an amendment to this Agreement or such other documentation that BidExecs requires to memoralize the terms of BidExecs' agreement to permit Franchisee to provide such additional BidExecs Services and Products.

3.2 Training Fee. Franchisee shall pay to BidExecs a training fee of $5,500 (the "**Training Fee**") upon execution of this Agreement, in consideration for the initial training of Franchisee.

3.3 Royalty Fees. Franchisee shall pay to BidExecs a continuing royalty fee in an amount equal to ten percent (10%) of the Franchised Business's Gross Sales ("**Royalty Fees**"), at such time, for such periods, and in such manner as specified herein, or as otherwise specified by BidExecs. Franchisee shall pay the Royalty Fees on a monthly basis, based on the Gross Sales of the Franchised Business for the immediately preceding calendar month, or for such other period as BidExecs may specify in the Manuals or otherwise in writing. In addition, Franchisee shall report to Franchisor a Gross Sales (a "**Sales Report**") no later than the fifteenth (15th) day of each calendar month or at such other time as BidExecs may designate.

3.3.1 If Franchisee's annual Gross Sales range from $500,001 to $1,500,000, Franchisee shall pay to BidExecs a monthly royalty fee of nine percent (9%) of the Franchised Business's Gross Sales commencing on February 1 of the following calendar year.

3.3.2 If Franchisee's annual Gross Sales exceed $1,500,0001, Franchisee shall pay to BidExecs a monthly royalty fee of eight percent (8%) of the Franchised Business's Gross Sales commencing on February 1 of the following calendar year.

3.3.3 During the first two weeks of each new calendar year, BidExecs will reconcile and review Franchisee's annual Gross Sales for the prior calendar year to determine Franchisee's Gross Sales totals and the applicable monthly royalty fee payable by Franchisee for that calendar year.

For example, if Franchisee's Gross Sales for the prior calendar year decreased such that the Gross Sales falls within a lower range, the applicable monthly royalty fee payable by Franchisee will be the monthly royalty fee applicable to that range notwithstanding the fact Franchisee may have previously paid a lower monthly royalty fee. If Franchisee has at least six (6) months of continuous operation during the first year of operations, BidExecs will annualize Franchisee's Gross Sales for purposes of reconciliation and determination of whether to adjust the monthly royalty fee accordingly.

3.3.4 "**Gross Sales**" means the total gross revenue from the provision of all services and products sold or performed by or for Franchisee in, at, from or away from the Franchised Business, or through or by means of the Franchised Business, whether from cash, check, credit card, debit card, barter or exchange, or other means, and irrespective of the collection thereof, and including, the following: (a) all client fees and payments, including, without limitation, client agreement fees, subscription fees, corporate/third party payor fees, retainer fees and (b) proceeds from any business interruption insurance. Notwithstanding the foregoing, the following amounts will be deducted from "**Gross Sales**": (i) sales taxes, use taxes, and other similar taxes added to the sales price and collected from the client and paid to the appropriate taxing authority; and (ii) any bona fide refunds and credits that are actually provided to clients and other customers.

3.4 National Brand Fund Fee. If BidExecs establishes a National Brand Fund, Franchisee shall pay BidExecs or its designee a National Brand Fund Fee (defined in Section 6.2) in an amount equal to one-half percent (0.5%) of the Franchised Business's Gross Sales, at such time, or such periods, and in such manner as specified herein, or as otherwise specified by BidExecs. If the Designated Marketing Area is located within the territory of an Area Representative ("**AR Territory**"), BidExecs reserves the right to require Franchisee to contribute another one-half percent (0.5%) of the Franchised Business's Gross Sales to any regional brand or marketing fund applicable to the AR Territory.

3.5 Technology Fee. During the initial term of this Agreement, Franchisee shall pay to BidExecs a technology fee in the amount of one thousand two hundred fifty dollars ($1,250) per month or partial month (the "**Tech Fee**"). BidExecs reserves the right to increase the Tech Fee, upon thirty (30) days' prior written notice to Franchisee. Franchisee shall pay the Tech Fee on the fifteenth (15th) day of each calendar month or for and based on such other period as BidExecs may specify in writing. BidExecs expressly reserves the right to change the due date of the Tech Fee upon ten (10) days' prior written notice to Franchisee.

3.6 Continuing Payments, EFT, and Reporting Obligations. Except as otherwise described in this Agreement, all payments required by this Section 3 and Section 6 below based on the Gross Sales for the preceding calendar month shall be paid and submitted by electronic funds transfer so as to be received by BidExecs by the fifteenth (15th) day of each calendar month, or such other date as BidExecs may designate in writing. For all ongoing fees required hereunder, Franchisee shall execute a form of electronic funds transfer ("**EFT**") authorization (in the form attached as Exhibit B to this Agreement or such other form that BidExecs designates) for direct debits from Franchisee's business bank operating account. Franchisee shall deliver to BidExecs any and all reports, statements and/or other information required by this Agreement, including under Section 7 below, at the time and in the format reasonably requested by BidExecs. Franchisee shall comply with the payment and reporting procedures specified by BidExecs in this Agreement. To ensure that payments are received by BidExecs on as timely basis, such policies and procedures may require that Franchisee have sufficient funds in its account by a date certain, as the EFT process may sweep such account the day before for payment on the preceding day. Franchisee's obligations for the full and timely payment of Royalty Fees, and all other amounts provided for in this Agreement, shall be absolute, unconditional, fully earned, and due upon Franchisee's generation of Gross Sales. Franchisee shall not for any reason delay or withhold the payment of all or any part of those or any other payments due hereunder, put the same in escrow or set off same against any claims or alleged claims Franchisee may allege against BidExecs or others. Franchisee shall not, on the grounds of any alleged nonperformance by BidExecs or others, withhold payment of any fee due hereunder, including Royalty Fees, nor withhold or delay submission of any reports due hereunder. BidExecs reserves the right to change the due date of any fees upon ten (10) days' prior written notice to Franchisee. BidExecs reserves the right to designate another method for Franchisee's payment of fees. Franchisee agrees to sign and deliver to BidExecs any other documents that BidExecs may require to authorize any such alternative method of payment.

3.7 Overdue Payments and Reports; Interest. Any payment or report not actually received by BidExecs (or the appropriate advertising fund) on or before the date such payment or report is due shall be deemed overdue.

3.7.1 If Franchisee's Royalty Fees are overdue, Franchisee must pay to BidExecs a late fee (the "Late Fee") in the amount of two percent (2%) of the overdue amount. If Franchisee does not remit Royalty Fees by the twentieth (20th) day of each calendar month or period, in addition to the Late Fee, and in addition to all other rights and remedies available to BidExecs, and not as an election of remedies, BidExecs will assess interest on the entire amount owing at the rate of two percent (2%) per calendar month or period (or twenty-four percent (24%) per annum) or the maximum rate permitted by law, whichever is less (the "**Interest Charge**"). The Interest Charge will continue to accrue on any portion of the Royalty Fees that are in arrears, until such delinquent Royalty Fees are paid in full, including payment of the Late Fee.

3.7.2 If any payment or report (other than the Royalty Fees) is overdue, Franchisee shall pay BidExecs, in addition to the overdue amount, and in addition to all other rights and remedies available to BidExecs and not as an election of remedies, a late payment/late report charge of one hundred and one hundred dollars ($100) for each week or part thereof that the payment or report is late, and the Interest Charge.

3.8 Payments on Behalf of Franchisee. Franchisee shall pay to BidExecs, within fifteen (15) days of any written request by BidExecs which is accompanied by reasonable substantiating material, any monies which BidExecs has paid, or has become obligated to pay, on behalf of Franchisee, by consent or otherwise under this Agreement.

3.9 Other Payments. All payments and fees owed by Franchisee to BidExecs shall be paid by Franchisee in the manner and within the time periods as provided for in this Agreement. BidExecs reserves the right to collect all fees and payments due by Franchisee by EFT as provided for in Section 3.7.

3.10 No Refunds. Upon the expiration or termination of this Agreement, BidExecs shall not refund any amounts paid pursuant to this Agreement for any reason whatsoever.

4. SERVICES BY BIDEXECS

4.1 Initial and Ongoing Assistance. Prior to the Franchised Business opening, BidExecs shall provide to Franchisee, its Operating Principal (as defined in Section 5.17.3.1 below) and to such of Franchisee's other employees of which BidExecs shall approve for training, such training programs as BidExecs may designate, to be conducted at such time(s) and location(s) designated by BidExecs. BidExecs shall also provide such ongoing training as it may, from time to time, deem appropriate. BidExecs shall be responsible for the cost of instruction and materials, subject to the terms set forth in Section 5.3.4 below.

4.2 Opening Assistance. BidExecs shall provide such pre-opening assistance to Franchisee as BidExecs prescribes in writing. The date and time of the pre-opening support will be determined by BidExecs.

4.3 Manuals. BidExecs shall loan or otherwise provide Franchisee access to BidExecs' confidential Brand Standards Manual and other manuals (the "**Manuals**"), which may be revised from BidExecs from time to time.

4.4 Advertising and Promotion. BidExecs shall have the right to approve or disapprove all advertising and promotional materials that Franchisee proposes to use, pursuant to Section 6 below. In addition, during the term of this Agreement, BidExecs shall provide Franchisee with such other advertising assistance, sales advice, or related materials as BidExecs deems advisable.

4.5 Ongoing Assistance. BidExecs shall provide such periodic individual or group advice, consultation and assistance, rendered by personal visit, telephone, mail or e-mail and made available from time to time as BidExecs deems advisable at the time(s) and in the manner determined by BidExecs.

4.6 Bulletins and Reports. BidExecs shall provide Franchisee such bulletins, brochures and reports published by BidExecs from time to time as BidExecs deems advisable regarding its plans, policies, research, developments and activities.

4.7 Computer System. BidExecs shall have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware used by, between, or among BidExecs Businesses, including: (a) back office and point of sale systems, client systems, data, audio, video, and voice storage, retrieval, and transmission systems for use in the Franchised Business, between or among BidExecs Businesses, and between and among the Franchised Business and BidExecs and/or Franchisee; (b) physical, electronic, and other security systems; (c) printers and other peripheral devices; (d) archival back-up systems; (e) e-mail systems; and (f) Internet access mode and speed (collectively, the "**Computer System**").

4.8 Inspection. BidExecs shall have the right to inspect the Computer Systems and records and reports of the Franchised Business prior to the opening of the Franchised Business and periodically throughout the term of the Agreement as described in Section 7.4 below. Franchisee shall not commence operation of the Franchised Business without BidExecs' prior written approval.

4.9 Delegation of Duties. Franchisee acknowledges and agrees that any designee (including an Area Representative designated by BidExecs), employee, or agent of BidExecs may perform any duty or obligation imposed on or available to BidExecs by the Agreement, as BidExecs may direct.

5. OBLIGATIONS OF FRANCHISEE; OPERATIONAL STANDARDS

5.1 System Standards and Development of the Franchised Business. Franchisee understands and acknowledges that every detail of the Franchised Business is important to Franchisee, BidExecs, and other franchisees in order to develop and maintain high operating standards, to increase the demand for the BidExecs Services and Products, and to protect BidExecs' reputation and goodwill. Franchisee shall open the Franchised Business according to the requirements contained herein, and Franchisee shall open the Franchised Business no later than ninety (90) days after the Effective Date.

5.2 Franchised Business Opening. "**Opening**" as defined in this Franchise Agreement means the date on which Franchisee has established an approved physical office space ("**Franchisee Office**") and offers BidExecs Services and Products to prospective clients. In connection with the opening of the Franchised Business and the Franchisee Office:

5.2.1 Franchisee shall not open the Franchised Business without first complying with all of BidExecs' pre-opening requirements and obligations contained in this Agreement and the Manuals. The Franchisee Office shall meet BidExecs' standards and specifications (including those relating to location, signage, configuration, layout and design) designated or prescribed in writing.

5.2.2 Franchisee shall not open the Franchised Business until the Operating Principal has successfully completed all training required by BidExecs to BidExecs' satisfaction.

5.2.3 In addition, Franchisee shall not open the Franchised Business until all amounts due to BidExecs under this Agreement or any other related agreements have been paid.

5.3 Training. Franchisee acknowledges that its owners and manager(s) must be knowledgeable regarding the operation of BidExecs Businesses, including the provision of client service in accordance with the brand standards established by BidExecs, which may be modified by BidExecs from time to time. Franchisee acknowledges that successful completion of BidExecs' training programs by Franchisee's owners and managers is critical to properly own, operate and manage the Franchised Business. Franchisee's employees must be covered by Franchisee's workers' compensation insurance policy prior to commencing training with BidExecs, and Franchisee must provide evidence of such coverage if requested by BidExecs. Prior to the opening of the Franchised Business, Franchisee's Operating Principal shall attend and successfully complete, to BidExecs' satisfaction, the initial training program offered by BidExecs relating to the applicable track(s) (BD and or PM) (the "**Initial Training Program**") and Franchisee must pay BidExecs the Initial Training Fee described in Section 3.2. The Initial Training Fee is nonrefundable. The Operating Principal must complete the Initial Training Program no later than forty-five (45) days after the Effective Date. BidExecs may permit additional individuals to attend some or all of the initial training program, at BidExecs' option, and BidExecs may require that Franchisee pay an additional fee for such additional attendees. BidExecs may also require that additional individuals attend training, at BidExecs' option. All individuals who complete BidExecs' Initial Training Program are "**Franchisee's Principal Trainees**." Initial training may require Franchisee's Principal Trainees to successfully complete all examinations and tests administered by BidExecs. The training programs including the Initial Training Program shall be conducted at facilities designated by BidExecs, which may include company-owned BidExecs Businesses, BidExecs Businesses owned and operated by other franchisees, and other facilities. Franchisee's Principal Trainees and other applicable personnel must successfully complete BidExecs' training program and receive BidExecs' certification to provide such services prior to offering or selling any BidExecs Services and Products for which BidExecs requires training and certification. BidExecs reserves the right to charge fees for any additional training programs.

5.3.1 Operating Principal and General Manager. All aspects of the Franchised Business shall be conducted under the management and supervision of the Operating Principal. In addition, the daily operations of the Franchised Business shall be supervised under the active full-time management of the Operating Principal, or with the written approval of BidExecs, a General Manager who has successfully completed (to BidExecs' satisfaction) the Initial Training Program. If the Operating Principal or the General Manager cease active management of or employment at the Franchised Business, Franchisee shall enroll a qualified replacement (who shall be reasonably acceptable to BidExecs) in the Initial Training Program not more than thirty (30) days after the cessation of the former person's full time employment and/or management responsibilities. The replacement shall attend and successfully complete the basic management training program, to BidExecs' reasonable satisfaction, as soon as it is practical to do so. Franchisee shall pay BidExecs' then-current training fees and per diem expenses.

5.3.2 Ongoing Training. The Franchisee's Principal Trainees may also be required to attend such refresher courses, seminars, and other training programs as BidExecs may reasonably specify from time to time, including up to 5 days of ongoing training or refresher training programs each year during the term of the Agreement. In addition, such of the Franchisee's Principal Trainees as BidExecs may require, may be required to attend BidExecs' annual convention for up to three (3) days per year.

5.3.3 Annual Convention. Should BidExecs elect to hold an annual convention, Franchisee shall attend BidExecs' annual convention, and attend the annual convention at Franchisee's expense. Franchisee shall be responsible for Franchisee and any approved-attendees costs and expenses to attend the convention, including transportation, meals and lodging. BidExecs reserves the right to charge a registration fee for franchisees to attend the annual conference.

5.3.4 Training Costs. In exchange for Franchisee's payment of the Training Fee set forth in Section 3.2, the cost of all initial training instruction and required materials shall be borne by BidExecs. All other expenses incurred in connection with training attendance at any BidExecs' annual convention, including the costs of transportation, lodging, meals, wages, workers' compensation insurance and trainees' meals during training sessions, for Franchisee, its investors, and all of its employees, shall be borne by Franchisee.

5.4 Hours of Operation. Franchisee shall keep the Franchised Business open and in normal operation for such hours and days as BidExecs may from time to time specify in writing.

5.5 Personnel. Franchisee agrees to maintain a competent, conscientious, trained staff in numbers sufficient to promptly service clients and customers, including at least one (1) manager on duty at all times and to take such steps as are necessary to ensure that its employees preserve good customer relations and comply with such dress code as BidExecs prescribes in writing. Franchisee shall comply with all applicable employment, personnel, and wage and hour laws and regulations. Franchisee is solely responsible for all employment and personnel decisions and functions of the Franchised Business, including 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 Franchisee receives advice from BidExecs on these subjects. Franchisee acknowledges and agrees that all employment and personnel decisions, including hiring, firing, disciplining, compensation, benefits, and scheduling, shall be made by Franchisee, without any influence from BidExecs, and such decisions and actions shall not be, nor be deemed to be, a decision or action of BidExecs. Further, it is the intention of the parties to this Agreement that BidExecs shall not be deemed an employer or joint employer of Franchisee or Franchisee's employees for any reason. If BidExecs incurs any cost, loss, or damage as a result of any actions or omissions of Franchisee or Franchisee's employees, including any that relate to any party making a finding of any joint employer status, Franchisee will fully indemnify BidExecs for such loss.

5.6 Equipment Upgrades. Franchisee shall make, from time to time, such upgrades and other changes to the Computer System as BidExecs may request in writing (and as also specified above) (collectively, "**Equipment Upgrades**"). BidExecs shall have the right to require any Equipment Upgrades it deems necessary for the Franchised Business.

5.7 Standards and Specifications. To ensure that the highest degree of quality and service is maintained, Franchisee shall operate the Franchised Business in strict conformity with such methods, standards, and specifications as BidExecs may from time to time prescribe in the Manuals or otherwise in writing. Franchisee agrees:

5.7.1 To sell or offer for sale only and all BidExecs Services and Products as have been expressly approved for sale for the applicable Track in writing by BidExecs (the "**Designated Services**"); to sell or offer for sale all Designated Services as specified by BidExecs; to refrain from any deviation from BidExecs' standards and specifications without BidExecs' prior written consent; and to discontinue selling and offering for sale any services and products which BidExecs shall have the right to disapprove, in writing, at any time.

5.7.2 To maintain in sufficient supply, and to use and/or sell at all times only such services and products as conform to BidExecs' written standards and specifications, and to refrain from deviating therefrom by the use or offer of any non-conforming items without BidExecs' specific prior written consent.

5.8 Suppliers. Franchisee shall purchase all equipment, products, supplies, services and materials used or offered for sale at the Franchised Business solely from suppliers that BidExecs has approved in writing. In determining whether it will approve any particular supplier, BidExecs shall consider various factors, including a supplier who can demonstrate, to BidExecs' continuing reasonable satisfaction, the ability to meet BidExecs' then current standards and specifications for such items; who possesses adequate quality controls and capacity to supply Franchisee's needs promptly and reliably; who would enable the system, in BidExecs' sole opinion, to take advantage of marketplace efficiencies; and who has been approved in writing by BidExecs prior to any purchases by Franchisee from any such supplier, and have not thereafter been disapproved. For the purpose of this Agreement, the term "**supplier**" shall include, but not be limited to, manufacturers, distributors, resellers, and other vendors. Franchisee recognizes that BidExecs shall have the right to appoint only one manufacturer, distributor, reseller, and/or other vendor for any particular service or product, and that BidExecs may so designate itself or its affiliate. For any services or products that BidExecs deems to be proprietary to the System, BidExecs reserves the right to designate one (1) supplier, which supplier may be BidExecs or an affiliate.

5.8.1 If Franchisee wishes to purchase any services or products or any other items from an unapproved supplier, Franchisee shall first submit to BidExecs a written request for such approval. Franchisee shall not purchase any services or products from any supplier until, and unless, such supplier has been approved in writing by BidExecs. BidExecs shall have the right to require that its representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, either to BidExecs or to an independent laboratory designated by BidExecs for testing. A charge not to exceed the reasonable cost of the inspection and the actual cost of the test shall be paid by Franchisee or the supplier. BidExecs may also require that the supplier comply with such other requirements as BidExecs may deem appropriate, including payment of reasonable continuing inspection fees and administrative costs, or other payment to BidExecs by the supplier on account of their dealings with Franchisee or other franchisees, for use, without restriction (unless otherwise instructed by the supplier) and for services that BidExecs may render to such suppliers. BidExecs reserves the right, at its option, to reinspect from time to time the facilities, services and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of BidExecs' then current criteria.

5.8.2 Nothing in the foregoing shall be construed to require BidExecs to approve any particular supplier, nor to require BidExecs to make available to prospective suppliers, standards and specifications, which BidExecs shall have the right to deem confidential.

5.8.3 Notwithstanding anything to the contrary contained in this Agreement, Franchisee acknowledges and agrees that, at BidExecs' sole option, BidExecs may establish one or more strategic alliances or preferred vendor programs with one or more nationally or regionally-known suppliers who are willing to supply all or some Franchised Businesses with some or all of the equipment, products, and services that BidExecs requires for use and/or sale in the development and/or operation of Franchised

Businesses. Such suppliers may be affiliates of BidExecs. In this event, BidExecs may limit the number of approved suppliers with whom Franchisee may deal, designate sources that Franchisee must use for some or all equipment, services and products, and/or refuse any of Franchisee's requests if BidExecs believes that this action is in the best interests of the System or the network of Franchised Businesses. BidExecs shall have the sole discretion to approve or disapprove of the suppliers who may be permitted to sell equipment, services and products to Franchisee.

5.8.4 Franchisee shall comply with all terms, conditions, and obligations of all contracts and arrangements with suppliers, including contracts and arrangements negotiated by BidExecs or third parties as part of a network or multiple-franchise or multiple-BidExecs Business supply and distribution arrangement, and Franchisee's contracts with and obligations to suppliers. Franchisee shall promptly pay all suppliers in accordance with the agreed-upon terms. In the event Franchisee fails to promptly pay one or more suppliers as required, BidExecs may, but is not required to, pay such supplier(s) on behalf of Franchisee, and Franchisee shall promptly reimburse BidExecs for such payment following notice from BidExecs, or BidExecs may obtain payment through the EFT process described in Section 3.7 above and the Manuals.

5.8.5 Franchisee acknowledges and agrees that all functions of the Franchised Business shall be provided by Franchisee or Franchisee's employees, except as designated or prescribed in writing.

5.9 Technology and Computer System. At BidExecs' request, Franchisee shall purchase or lease, and thereafter maintain, the Computer System, and comply with BidExecs' requirements, specifications and policies concerning the use of technology, as they may be specified in this Agreement, or specified or modified in the Manuals or otherwise in writing.

5.9.1 BidExecs shall have the right at any time to retrieve and use such data and information from Franchisee's Computer System that BidExecs deems necessary or desirable. In view of the contemplated interconnection of computer systems and the necessity that such systems be compatible with each other, Franchisee expressly agrees that it shall strictly comply with BidExecs' standards and specifications for all item(s) associated with the Computer System, and will otherwise operate the Computer System in accordance with BidExecs' standards and specifications. To ensure full operational efficiency and optimum communication capability between and among equipment and computer systems installed by Franchisee, BidExecs, and other franchisees, Franchisee agrees, at its expense, that Franchisee shall keep its Computer System in good maintenance and repair, and, at its expense, and following the determination that BidExecs shall have the right to make, to the effect that same will prove economically or otherwise beneficial to all System franchisees, that Franchisee shall promptly install such additions, changes, modifications, substitutions and/or replacement to Franchisee's computer hardware, software, telephone and power lines, and other related facilities, as BidExecs directs periodically in writing. Franchisee shall provide to BidExecs, upon BidExecs' request, all e-mail lists and customer lists used or maintained by Franchisee on the Computer System or elsewhere.

5.9.2 BidExecs has the right, but not the obligation, to develop or have developed for it, or to designate, any or all of the following: (a) computer software programs and accounting system software that Franchisee must use in connection with the Computer System ("**Required Software**"), which Franchisee must install; (b) updates, supplements, modifications, or enhancements to the Required Software, which Franchisee must install; (c) the tangible media upon which such Franchisee must record or receive data; (d) the database file structure of Franchisee's Computer System; and (e) an Extranet for informational assistance, which may include any the Manuals, training other assistance materials, and management reporting solutions.

5.9.3 Franchisee agrees to install and use the Computer System and Required Software in the manner that BidExecs requires.

5.9.4 Franchise agrees to implement and periodically upgrade and make other changes to the Computer System and Required Software as BidExecs may reasonably request in writing (collectively, "**Computer Upgrades**").

5.9.5 Franchisee agrees to comply with BidExecs' written specifications with respect to the Computer System and the Required Software, and with respect to Computer Upgrades, at Franchisee's own expense.

5.9.6 Franchisee agrees to afford BidExecs unimpeded access to its Computer System and Required Software in the manner, form, and at the times that BidExecs requests.

5.9.7 Because changes to technology are dynamic and not predictable during the term of this Agreement, and in order to provide for inevitable but unpredictable changes to technological needs and opportunities, Franchisee agrees: (a) that BidExecs will have the right to establish, in writing, reasonable new standards to address new technologies, whether published in the Manauls or otherwise in writing, and that BidExecs has the right to implement those changes in technology into the System; and (b) to abide by BidExecs' reasonable new standards as if this Section 5.9, and other technology provisions in this Agreement, were periodically revised for that purpose.

5.10 Customer Data. Franchisee agrees that all data that it collects from clients, customers and potential clients and customers in connection with the Franchised Business ("**Customer Data**") is deemed to be owned exclusively by BidExecs. Franchisee has the right to use Customer Data while this Agreement or a successor or renewal Franchise Agreement is in effect, but only in connection with operating the Franchised Business and only in accordance with the policies that BidExecs establishes from time to time. Franchisee may not sell, transfer, or use Customer Data for any purpose other than operating the Franchised Business and marketing the BidExecs Services and Products. However, if Franchisee Transfers the Franchised Business (as provided in Section 12.3 below), as part of the Transfer, Franchisee must also Transfer use of the Customer Data to the buyer as part of the total purchase price paid for the Franchised Business. Franchisee must secure from its vendors, customers, prospective customers, and others all consents and authorizations, and provide them all disclosures, that applicable law requires to transmit the Customer Data to Franchisor and its affiliates and for Franchisor and its affiliates to use that Customer Data in the manner that this Agreement contemplates.

5.11 Privacy Laws. Franchisee agrees to abide by all applicable laws pertaining to the privacy of consumer, employee, and transactional information ("**Privacy Laws**").

5.11.1 Franchisee agrees to comply with Franchisor's standards and policies pertaining to Privacy Laws. If there is a conflict between Franchisor's standards and policies pertaining to Privacy Laws and actual applicable law, Franchisee shall: (i) comply with the requirements of applicable law; (ii) immediately give Franchisor written notice of said conflict; and (iii) promptly and fully cooperate with Franchisor and its counsel in determining the most effective way, if possible, to meet its standards and policies pertaining to Privacy Laws within the bounds of applicable law.

5.11.2 Franchisee agrees not to publish, disseminate, implement, revise, or rescind a data privacy policy without Franchisor's prior written consent as to said policy.

5.11.3 For purposes of this Section 5.16, "**Personal Information**" means Customer Data and any other information that is received from Franchisor, or collected on Franchisor's behalf, that identifies, relates to, describes, is capable of being associated with, or is linked or could reasonably be linked, directly or indirectly, with a particular consumer or household, and including particular elements of "personal information" as defined under Cal. Civ. Code § 1798.140.

5.11.4 With regard to Personal Information that Franchisee may collect, receive, or otherwise process as a result of any agreements between Franchisee and Franchisor (or its subsidiaries or affiliates), including this Agreement, Franchisee agrees and certifies that it will:

5.11.4.1. Process Personal Information only for the limited and specified purposes of providing services requested by Franchisor.

5.11.4.2. Notify Franchisor, and provide Franchisor with the ability to object, before transmitting Personal Information to a service provider, sub-processor, subcontractor, or other vendor.

5.11.4.3. Require any service provider, sub-processor, subcontractor, or other vendor that receives Personal Information to agree to provisions materially similar to those found within this Section 5.16.

5.11.4.4. Cooperate and assist Franchisor with responding to any request from an individual to exercise their rights under a data privacy or data security law or regulation.

5.11.4.5. Comply with all applicable data privacy and data security laws including, but not limited to, Cal. Civ. Code 1798.100. et seq.

5.11.4.6. Notify Franchisor if it believes that it can no longer meet the obligations of this Section 5.16.

5.11.4.7. Implement and maintain reasonable and appropriate security procedures and practices designed to protect the Personal Information from unauthorized access, destruction, use, modification, or disclosure.

5.11.4.8. Notify Franchisor immediately after becoming aware of any loss, unauthorized, or unlawful processing, destruction, damage, alteration, or unauthorized disclosure of, or access to, the Personal Information (a "**Security Breach**"), and cooperate with Franchisor in the event of a Security Breach, including by sharing information relevant to the Security Breach.

5.11.4.9. Allow and contribute to reasonable audits by Franchisor, including inspections by the Franchisor or its auditor, to verify Franchisee's compliance with data processing and security obligations and applicable data protection statutes and regulations.

5.11.5 Franchisee further agrees and certifies that it will not:

5.11.5.1. Sell, rent, release, disclose, disseminate, make available, transfer, or otherwise communicate orally, in writing, or by electronic or other means, Personal Information to another business or a third party for monetary or other valuable consideration.

5.11.5.2. Retain, use, disclose, collect, sell, or otherwise process Personal Information for any purpose other than for the specific purpose of, and as necessary for, performing services for Franchisor pursuant to a written agreement(s). For clarity, Franchisee may not retain, use, or disclose the Personal Information for any other commercial purposes or outside of the direct business relationship between Franchisee and Franchisor.

5.11.5.3. Combine the Personal Information that it receives from Franchisor with the Personal Information that it receives from another company or business (or that it collects from its own interaction with individuals), except if expressly permitted to do so by Franchisor or required to do so by law.

5.11.5.4. Share, rent, release, disclose, disseminate, make available, transfer, or otherwise communicate orally, in writing, or by electronic or other means, Personal Information for the purpose of cross-context behavioral advertising.

5.11.6 This Section 5.16 will survive expiration or termination of this Agreement and any other agreement(s) that may exist between Franchisee and Franchisor (or its subsidiaries or affiliates). Existing terms in such agreement(s) remain in effect except that this Section 5.16 controls in the event of a conflict with such terms. In the event of a breach of this Section 5.16, Franchisor may take reasonable and appropriate steps to stop and remediate the unauthorized use by Franchisee of Personal Information.

5.12 Website. BidExecs will maintain a Website for the benefit of BidExecs and its franchisees. Franchisee shall not establish a Website or permit any other party to establish a Website that relates in any manner to the Franchised Business or refers to the Marks without BidExecs' prior written consent. BidExecs has the right, but not the obligation, to provide one or more references or webpage(s) to Franchisee's Franchised Business, as BidExecs may periodically designate, within BidExecs' Website. (The term "**Website**" as used in this Agreement means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including the Internet, World Wide Web, social networking sites (including Facebook, Twitter, LinkedIn, Instagram, YouTube, etc.), blogs, vlogs, and other applications, etc.). Franchisee agrees, if BidExecs so requires, to establish maintain, and update a Website other than or in addition to the BidExecs Website for the Franchised Business, and/or to engage the supplier(s) that BidExecs may, at its option, designate to establish, maintain, and update such Website on Franchisee's behalf. If BidExecs approves in writing a request for Franchisee to use a Website, or if BidExecs instructs Franchisee to establish and maintain a Website for the Franchised Business, then BidExecs shall have the right to require that Franchisee meet any or all of the following requirements (but this provision is not meant to imply that BidExecs is obligated to permit Franchisee to have its own Website):

5.12.1 Franchisee agrees that any Website that is maintained for Franchisee's benefit or that Franchisee owns will be deemed "**advertising**" under this Agreement, and will be subject to (among other things) BidExecs' prior written approval pursuant to Section 6 below.

5.12.2 Franchisee agrees not to use or modify any such Website without BidExecs' prior written approval as to such proposed use or modification.

5.12.3 Franchisee agrees, in addition to any other applicable requirements, to comply with BidExecs' written standards and specifications for Websites, whether set forth in writing or otherwise.

5.12.4 Franchisee shall pay the then-current Tech Fee and sign any agreements that BidExecs may require in connection with the Website.

5.13 Business Management System. Franchisee agrees to record all sales on computer-based point of sale or similar client management systems that BidExecs has the right to designate or approve in the Manual or otherwise in writing ("**Business Management System**"). The Business Management System is deemed to be part of Franchisee's Computer System. Franchisee must utilize computer-based devices, software and/or hardware that are fully compatible with any program or system that BidExecs has the right to designate, and Franchisee must record all Gross Sales and all revenue information on such equipment.

5.14 E-Mail, Internet, and Other Media. Franchisee must comply with BidExecs' requirements and policies (as described in the Manuals or otherwise in writing) with respect to the transmission of all e-mails in connection with the Franchised Business and the business, and in connection with discussing, advertising, or disseminating any information, or otherwise having a presence, on the Internet, or in any other media, regarding the Franchised Business and the business. Such activities include participation in any Internet "blogs" or social networking sites. Any such activities which are not expressly permitted in the Manuals, or for which Franchisee has not previously received approval from BidExecs, shall be subject to BidExecs' approval as described in Section 6 below.

5.14.1 Franchisee agrees that exchanging information with BidExecs by e-mail is an important way to enable quick, effective, and efficient communication, and that BidExecs and Franchisee are entitled to rely upon each other's use of e-mail for communicating as part of the economic bargain underlying this Agreement. To facilitate the use of e-mail to exchange information, Franchisee authorizes the transmission of e-mail by BidExecs and BidExecs' employees, vendors, and affiliates (on matters pertaining to the business contemplated hereunder) (together, "**Official Senders**") to Franchisee and Franchisee's employees during the term of this Agreement. BidExecs' list of Official Senders shall be the master and official list of Official Senders.

5.14.2 Franchisee agrees not to transmit or cause any other party to transmit advertisements or solicitations by telephone, text, e-mail, or other electronic media without BidExecs' prior written consent as to: (a) the content of such advertisements or solicitations; and (b) Franchisee's plan for transmitting such advertisements or solicitations. BidExecs' review of Franchisee's advertisements or solicitations, or of Franchisee's plan for transmitting such advertisements or solicitations, is only for BidExecs' benefit and BidExecs' review will pertain to whether the proposed advertisements or solicitations comply with BidExecs' specifications. Franchisee agrees that it will be solely responsible for complying with any laws pertaining to sending such advertisements and solicitations, including the Controlling the Assault of Non-Solicited Pornography and Proprietary Marketing Act of 2003 (known as the "CAN-SPAM Act of 2003") and the Telephone Consumer Protection Act of 1991.

5.14.3 Franchisee agrees that: (a) Official Senders are authorized to send e-mails to Franchisee and its employees; (b) Franchisee will cause its officers, directors, and employees (as a condition of their employment or position with Franchisee) to give their consent (in an e-mail, electronically, or in a pen-and-paper writing, as BidExecs may reasonably require) to Official Senders' transmission of e-mails and faxes to those persons, and that such persons shall not opt-out, or otherwise ask to no longer receive e-mails, from Official Senders during the time that such person works for or is affiliated with Franchisee; and (c) Franchisee will not opt-out, or otherwise ask to no longer receive e-mails, from Official Senders during the term of this Agreement.

5.14.4 The consent given above in this Section 5.14 will not apply to the provision of formal notices under this Agreement by either party using e-mail unless and until the parties have otherwise agreed, in a pen-and-paper writing that both parties have signed.

5.15 Credit Cards and Other Methods of Payment. At all times, Franchisee must maintain credit-card relationships with the credit- and debit-card issuers or sponsors, check or credit verification services, financial-center services, and electronic-funds-transfer systems that BidExecs designates as mandatory, and Franchisee must not use any such services or providers that BidExecs has not approved in writing or for which BidExecs has revoked its approval. BidExecs has the right to modify its requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke its approval of any service provider. Franchisee must comply with all credit-card policies as required by laws and regulations. Franchisee must comply with the Payment Card Industry Data Security Standards ("**PCI DSS**") as they may be revised and modified by the Payment Card Industry Security Standards Council (see www.pcisecuritystandards.org), or such successor or replacement organization and/or in accordance with other standards as BidExecs may specify, and the Fair and Accurate Credit Transactions Act ("**FACTA**"). Franchisee shall also upgrade periodically its Business Management System and related software, at Franchisee's expense, to maintain compliance with PCI DSS, FACTA, and all related laws and regulations.

5.16 Prices. With respect to the sale of all services and products, Franchisee shall have sole discretion as to the prices to be charged to its clients and customers; provided, however, that BidExecs may establish, advertise, and promote minimum and/or maximum prices on such products or services, subject to compliance with applicable laws. If BidExecs has imposed such a minimum or maximum price on a particular product or service, and subject to applicable law, Franchisee may not charge a price for such product in excess of the maximum price set by BidExecs or below the minimum price set by BidExecs.

5.17 Franchisee Structure; Operating Principal and Owners. Franchisee shall, at all times during the term of this Agreement, be organized as a corporation or limited liability company as further described below:

5.17.1 Except as otherwise approved in writing by BidExecs, if Franchisee is a corporation, it shall: (i) be newly organized, and confine its activities, and its governing documents shall at all times provide that its activities are confined, exclusively to operating the Franchised Business; (ii) furnish BidExecs with a copy of its articles or certificates of incorporation and bylaws, as well as such other documents as BidExecs may reasonably request, and any amendment thereto; (iii) maintain stop transfer instructions on its records against the transfer of any equity securities and shall only issue securities upon the face of which a legend, in a form satisfactory to BidExecs, appears which references the transfer restrictions imposed by this Agreement; (iv) not issue any voting securities or securities convertible into voting securities; and (v) maintain a current list of all owners of record and all beneficial owners of any class of voting stock of Franchisee and furnish the list to BidExecs upon request, which list shall be amended to reflect changes in ownership, as permitted under this Agreement.

5.17.2 If a Franchisee is a limited liability company, Franchisee shall: (i) be newly organized, and confine its activities, and its governing documents shall at all times provide that its activities are confined, exclusively to operating the Franchised Business; (ii) furnish BidExecs with a copy of its articles of organization and operating agreement, as well as such other documents as BidExecs may reasonably request, and any amendments thereto; (iii) prepare and furnish to BidExecs, upon request, a current list of all members and managers in Franchisee, which list shall be amended to reflect changes in ownership, as permitted under this Agreement; and (iv) maintain stop transfer instructions on its records against the transfer of equity securities and shall only issue securities upon the face of which bear a legend, in a form satisfactory to BidExecs, which references the transfer restrictions imposed by this Agreement.

5.17.3 Franchisee shall designate, subject to the review and approval or disapproval by BidExecs, individuals to serve in the following positions:

5.17.3.1. Operating Principal. An Operating Principal shall participate personally in the direct operation of the Franchised Business. Franchisee's Operating Principal shall reside in the Designated Marketing Area and open and maintain a Franchisee Office located only in the Designated Marketing Area. Franchisee shall notify BidExecs promptly if the individual serving as the Operating Principal for the Franchised Business no longer serves as an employee of Franchisee or no longer meets the requirements of being an Operating Principal for the Franchised Business. "Operating Principal" shall mean an individual who: (1) has completed BidExecs' required training program, (2) BidExecs has approved to supervise the day-to-day operations of the Franchised Business, and (3) owns at least fifty-one percent (51%) of the equity interest in Franchisee.

5.17.3.2. Owners: An "**owner**" is any person that has any direct or indirect interest in Franchisee, or in any entity that has any direct or indirect ownership interest in Franchisee. All owners along with their ownership interests, shall be identified in Exhibit C hereto, and any change in ownership, whether subject to Section 12.3 or not, shall be provided to BidExecs, in advance and in writing, and Exhibit C shall be amended to reflect all changes in ownership.

5.17.3.3. General Manager: Franchisee shall designate a Franchised Business general manager, subject to approval by BidExecs, and satisfactory completion of BidExecs' training programs, who shall be responsible for the direct oversight and management of the day-to-day operations and personnel at the Franchised Business (the "General Manager"). The General Manager and the Principal Operator may be the same person, if he/she is qualified to perform both roles and duties, and is approved by BidExecs.

5.18 Personal Guarantee. Concurrent with its execution of this Agreement, each owner shall execute the Guarantee, Indemnification and Acknowledgement in the form attached to this Agreement as Exhibit D, provided, however, that no guarantee shall be required from a person who acquires Franchisee's securities (other than a controlling interest) if and after Franchisee becomes registered under the Securities Exchange Act of 1934. In addition, BidExecs may require that the spouse (or domestic partner or other immediate family member) of an owner sign the Guarantee, Indemnification and Acknowledgment.

5.19 System Modifications. Franchisee acknowledges and agrees that from time to time hereafter BidExecs may change or modify the System as BidExecs deems appropriate, including to reflect the changing market and/or to meet new and changing consumer demands, and that variations and additions to the System may be required from time to time to preserve and enhance the public image of the System and operations of BidExecs Businesses. BidExecs' changes to the System may include additions, deletions, or other modifications to the BidExecs Services and Products, to the BidExecs the adoption and use of new or modified products, services, equipment and furnishings and new techniques and methodologies relating to the operation of a contracting business, and new trademarks, service marks and copyrighted materials. Notwithstanding the provisions and limitations of Section 5.9, Franchisee shall, upon reasonable notice, accept, implement, use in the operation of the Franchised Business any such changes in the System, as if they were part of this Agreement at the time of execution hereof, at Franchisee's sole expense. Additionally, BidExecs reserves the right, in its sole discretion, to vary the standards throughout the System, as well as the services and assistance that BidExecs may provide to some franchisees based upon the peculiarities of a particular circumstance, existing business practices, or other factors that BidExecs deems to be important to the operation of any BidExecs Business or the System. Franchisee shall have no recourse against BidExecs on account of any variation to any franchisee and shall not be entitled to require BidExecs to provide Franchisee with a like or similar variation hereunder.

5.20 No Third-Party Management. The Franchised Business shall be operated under the control and supervision of Franchisee, its Principal Operator, the General Manager or another general manager hired by and employed by Franchisee and approved by BidExecs. Franchisee shall not hire or retain a management company, manager (other than an employee manager trained and approved by BidExecs), or third party to undertake any of the management or operational functions of the Franchised Business.

6. ADVERTISING AND MARKETING

Recognizing the value of advertising and marketing, and the importance of the standardization of advertising and marketing programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

6.1 Establishment of National Brand Fund and Regional Cooperative. BidExecs shall have the right to establish the National Brand Fund and/or a Regional Cooperative, as described in this Section 6.

6.2 National Brand Fund. BidExecs may establish and administer a system-wide advertising, marketing, promotional, and fund, which may be referred to as the "**National Brand Fund**," or such other name as BidExecs may designate, in the manner set forth in Section 6 below and the Manuals. Commencing once BidExecs has established the National Brand Fund and continuing for each calendar month thereafter during the term of this Agreement, Franchisee shall contribute the fee described in Section 3.4 hereof (the "**National Brand Fund Fee**"). BidExecs shall have the right to increase the National Brand Fund Fee by not more than one percent (1%) of the Franchised Business' Gross Sales per year. During the term of this Agreement, the National Brand Fund Fee shall not exceed four percent (4%) of the Franchised Business' Gross Sales. For all BidExecs Businesses owned by BidExecs, BidExecs shall contribute to the National Brand Fund and/or Regional Cooperative (as described below) on the same basis as franchisees. The National Brand Fund shall be maintained and administered by BidExecs or its designee, as follows:

6.2.1 BidExecs or its designee shall have the right to direct all advertising programs, as well as all aspects thereof, including the concepts, materials, and media used in such programs and the placement and allocation thereof. The National Brand Fund is intended to maximize general public recognition, acceptance, perception of, and use of the System; and BidExecs and its designee are not obligated, in administering the National Brand Fund, to make expenditures for Franchisee which are equivalent or proportionate to BidExecs' contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the National Brand Fund.

6.2.2 The National Brand Fund, all contributions thereto, and any earnings thereon, shall be used exclusively (except as otherwise provided in this Section 6.2) to meet any and all costs of maintaining, administering, directing, conducting, creating and/or otherwise preparing brand development, advertising, marketing, public relations and/or promotional programs and materials, and any other activities which BidExecs believes will enhance the image of the System, including the costs of preparing and/or conducting: media advertising campaigns; social media campaigns; direct mail advertising; marketing surveys and other public relations activities; employing advertising and/or public relations agencies to assist therein; brand research and development; developing and hosting marketing, brand development and enhancement, and client and customer engagement seminars for franchisees; purchasing promotional items; developing new or modified trade dress and marks; design and photographs; conducting and administering visual merchandising, and other merchandising programs; purchasing media space or time (including all associated fees and expenses); administering regional and multi-regional marketing and advertising programs; market research and client and customer satisfaction surveys; the creative development of, and actual production associated with, premium items, giveaways, promotions, contests, public relation events, and charitable or non-profit events and sponsorships; developing, implementing and maintaining an electronic commerce website and/or related strategies; maintaining and developing one (1) or more websites devoted to the System, the Marks and/or the "BidExecs" brand; providing promotional and other marketing materials and services to the BidExecs Businesses operated under the System; and the salaries of BidExecs employees to the extent such employees provide services in conjunction with System marketing activities. The National Brand Fund may also be used to provide rebates or reimbursements to franchisees for local expenditures on products, services, or improvements, approved in advance by BidExecs, which products, services, or improvements BidExecs shall have the right to determine will promote general public awareness and favorable support for the System.

6.2.3 Franchisee shall contribute to the National Brand Fund in the manner specified by BidExecs. All sums paid by Franchisee to the National Brand Fund shall be maintained in an account separate from BidExecs' other monies. BidExecs shall have the right to charge the National Brand Fund for such reasonable administrative costs and overhead as BidExecs may incur in activities reasonably related to the direction and implementation of the National Brand Fund and advertising programs for franchisees and the System, including costs of personnel for creating and implementing, advertising, merchandising, promotional and marketing programs and accounting services reasonably related to the operation and functions of the National Brand Fund. The National Brand Fund and its earnings shall not otherwise inure to BidExecs' benefit. BidExecs or its designee shall maintain separate bookkeeping accounts for the National Brand Fund.

6.2.4 The National Brand Fund is not intended to be, and will not be used for, BidExecs' ordinary operating expenses, nor is it a trust, and BidExecs does not assume any fiduciary obligation to Franchisee for maintaining, directing or administering the National Brand Fund or for any other reason. A statement of the operations of the National Brand Fund as shown on BidExecs' books shall be prepared annually by BidExecs and shall be made available to Franchisee upon written request by Franchisee.

6.2.5 Although the National Brand Fund is intended to be of perpetual duration, BidExecs maintains the right to terminate the National Brand Fund. The National Brand Fund shall not be terminated, however, until all monies in the National Brand Fund have been expended for advertising and/or promotional purposes or returned to National Brand Fund contributors.

6.2.6 The National Brand Fund may be audited by BidExecs at its option, but BidExecs has no obligation to conduct an audit.

6.3 BidExecs shall have the right to designate any geographical area for the purpose of establishing a market brand development and promotional cooperative fund (including any AR Territory, or portion thereof, of an Area Representative) ("**Regional Cooperative**"). If a Regional Cooperative for the geographic area in which the Franchised Business is located has been established at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Regional Cooperative, unless otherwise permitted by BidExecs. If a Regional Cooperative for the geographic area in which the Franchised Business is located is established during the term of this Agreement, Franchisee shall become a member of such Regional Cooperative within thirty (30) days after the date on which the Regional Cooperative commences operation, unless otherwise permitted by BidExecs. In no event shall Franchisee be required to be a member of more than one (1) Regional Cooperative relating to the Franchised Business. Franchisee shall contribute to the Regional Cooperative of which Franchisee is a member an amount each calendar month during the term of this Agreement that is determined by BidExecs, which shall not be more than four percent (4%) of Gross Sales (the "**Regional Cooperative Fee**"); provided that any amount paid by Franchisee toward the Regional Cooperative Fee shall offset Franchisee's obligation to pay the National Brand Fund Fee. The following provisions shall apply to each such Regional Cooperative:

6.3.1 Each Regional Cooperative shall be organized (including bylaws and other formation documents) and governed in a form and manner, and shall commence operations on a date, approved in advance by BidExecs in writing. Unless otherwise specified by BidExecs, the activities carried on by each Regional Cooperative shall be decided by a majority vote of its members. Any BidExecs Businesses that BidExecs operates in the region shall have the same voting rights as those owned by franchisees. Each BidExecs Business owner shall be entitled to cast one (1) vote for each BidExecs Business owned.

6.3.2 Each Regional Cooperative shall be organized for the exclusive purpose of administering regional advertising programs and developing, subject to BidExecs' approval, standardized promotional materials for use by the members in local advertising and social engagement.

6.3.3 No advertising or promotional plans or materials may be used by a Regional Cooperative or furnished to its members without BidExecs' prior approval, pursuant to the procedures and terms as set forth in this Agreement.

6.3.4 Franchisee shall submit Franchisee's required contribution to the Regional Cooperative at the time required under Section 3.7 above, together with such statements or reports as may be required by BidExecs or by the Regional Cooperative with BidExecs' prior written approval. If so requested by BidExecs in writing, Franchisee shall submit Franchisee's payments and reports to the Regional Cooperative directly to BidExecs for distribution to the Regional Cooperative.

6.3.5 A Regional Cooperative, may at BidExecs' option, be managed or administered by an Area Representative or another designee.

6.3.6 Although once established, each Regional Cooperative is intended to be of perpetual duration, BidExecs shall maintain the right to terminate any Regional Cooperative. A Regional Cooperative shall not be terminated, however, until all monies in that Regional Cooperative have been expended for advertising and/or promotional purposes or returned to its members.

6.4 Local Advertising and Social Engagement. Commencing on the Effective Date, Franchisee must spend at least two percent (2%) of Gross Sales per month or $1,000, whichever is greater, on local advertising and social engagement (defined below in Section 6.5) (the "**Local Advertising and Social Engagement Amount**") within the Designated Marketing Area. All local advertising and social engagement by Franchisee shall be in such media, and of such type and format as BidExecs may approve; shall be conducted in a dignified manner; shall conform to such standards and requirements as BidExecs may specify; and shall comply with all applicable laws. Franchisee shall not use any advertising or promotional plans or materials unless and until Franchisee has received written approval from BidExecs, pursuant to the procedures and terms set forth in Section 6.6 below. Franchisee shall comply with all of BidExecs' written instructions, policies, procedures, and restrictions regarding advertising and marketing. Franchisee shall furnish BidExecs, within five (5) days after BidExecs' request, evidence satisfactory to BidExecs confirming Franchisee's expenditure of the Local Advertising and Social Engagement Amount.

6.5 Costs of Local Advertising and Social Engagement. As used in this Agreement, the term "**local advertising and social engagement**" shall consist only of the direct costs of purchasing and producing advertising materials (including, but not limited to, camera ready advertising and point of sale materials), media (space or time), and those direct out of pocket expenses related to costs of advertising and sales promotion spent by Franchisee in the Designated Marketing Area, advertising agency fees and expenses, postage, shipping, telephone, and photocopying; however, the parties expressly agree that advertising and sales promotion shall not include costs or expenses incurred by or on behalf of Franchisee in connection with any of the following:

6.5.1 Salaries and expenses of any employees of Franchisee, including salaries or expenses for attendance at advertising meetings or activities, or incentives provided or offered to such employees;

6.5.2 Charitable, political, or other contributions or donations, whether in cash or services; or

6.5.3 The value of discounts provided to customers.

6.6 Approvals. For all proposed Local Advertising and social engagement, Franchisee shall submit samples of such plans and materials to BidExecs in the manner that BidExecs prescribes, for BidExecs' review and prior written approval (except with respect to prices to be charged by Franchisee). If written approval is not received by Franchisee from BidExecs within fifteen (15) days of the date of receipt by BidExecs of such samples or materials, BidExecs shall be deemed to have disapproved them. Franchisee acknowledges and agrees that any and all copyright in and to advertising and promotional materials developed by or on behalf of Franchisee shall be the sole property of BidExecs, and Franchisee agrees to execute such documents (and, if necessary, require its independent contractors to execute such documents) as may be deemed reasonably necessary by BidExecs to give effect to this provision.

6.7 Promotional Materials. BidExecs may make available to Franchisee from time to time, at Franchisee's expense, advertising plans and promotional materials, including newspaper mats, merchandising materials, sales aids, special promotions, direct mail materials, community relations programs, and similar advertising and promotional materials for use in local advertising and social engagement. BidExecs may provide periodic marketing assistance to Franchisee, including telephone and e-mail marketing assistance, and templates or other materials for e-mail-based marketing. BidExecs shall have the right to require all advertising and promotional materials and accessories, signs, decorations, all forms and stationery used in the Franchised Business, and other items which may be designated by BidExecs, to bear the BidExecs' then-current Marks and logos in the form, color, location, and manner then-prescribed by BidExecs.

7. RECORDS AND REPORTS

7.1 Records. Franchisee shall maintain for a period of not less than three (3) years during the term of this Agreement, and, for not less than three (3) years following the termination, expiration, or non-renewal of this Agreement, full, complete, and accurate books, records, and accounts in accordance with generally accepted accounting principles, as required by law, and in the form and manner prescribed by BidExecs from time to time in the Manuals or otherwise in writing. Franchisee shall prepare and maintain all books and records required under this Agreement and as prescribed by BidExecs during each fiscal year during the Term of this Agreement and for the three (3) years prior to each fiscal year. To the extent books and records are created and/or maintained in an electronic form, all such books and records must be capable of being reviewed by BidExecs or its designee without special hardware or software.

7.2 Periodic Reports. Franchisee shall, at its expense, provide to BidExecs, in a format specified by BidExecs, such financial and operating reports that BidExecs prescribes.

7.3 Reporting Requirements. In addition to the Sales Reports required pursuant to Section 3.3, Franchisee shall also submit to BidExecs such other forms, reports, records, information, and data as and when BidExecs may reasonably designate, in the form and format, and at the times and places reasonably required by BidExecs, upon request and as specified from time to time in the Manuals or otherwise in writing.

7.4 Audit. BidExecs or its designated agents shall have the right at all reasonable times to examine, copy, and/or personally review or audit, at BidExecs' expense, all books, records, and sales and income tax returns of Franchisee. Franchisee shall cooperate fully with all audits and requests for information made by BidExecs or its designees. BidExecs shall also have the right, at any time, to have an independent audit made of the books of Franchisee. If an inspection should reveal that any payments have been understated or overstated in any report to BidExecs, then Franchisee shall immediately pay BidExecs, in the event of an understatement, the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of one and one half percent (1.5%) per month, or the maximum rate permitted by law, whichever is less. If an inspection is necessitated because Franchisee fails to timely provide Sales Reports or if an inspection discloses an understatement in any report by Franchisee of two percent (2%) or more, Franchisee shall, in addition, reimburse BidExecs for any and all costs and expenses connected with the inspection (including, without limitation, travel, lodging and wages expenses, and reasonable accounting and legal costs). The foregoing remedies shall be in addition to any other remedies BidExecs may have.

7.5 Data. All data provided by Franchisee in any form, and whether required by this Section 7.5 or any other requirement under the System or in the Manuals, including data uploaded to BidExecs' computer system from Franchisee's Computer System, and/or downloaded from the Franchisee's Computer System to BidExecs' computer system, is and will be owned exclusively by BidExecs, including without limitation, Customer Data (described in Section 5.10 above), customer lists and e mail lists, and BidExecs will have the right to use such data in any manner that BidExecs deems appropriate without compensation to Franchisee. In addition, all other data created or collected by Franchisee in connection with the System, or in connection with Franchisee's operation of the business (including but not limited to consumer and transaction data), is and will be owned exclusively by BidExecs during the term of, and following termination or expiration of, this Agreement. Copies and/or originals of such data must be provided to BidExecs upon BidExecs' request. BidExecs hereby licenses use of such data back to Franchisee, at no additional cost, solely for the term of this Agreement and solely for Franchisee's use in connection with the business franchised under this Agreement. BidExecs may use all such information, data, and reports in any manner, including, without limitation, providing financial and operating reports to franchisees and operators operating under the System, preparing franchise disclosure documents, and providing information to prospective franchisees, and/or in complying with government regulations.

8. MARKS

8.1 Ownership of the Marks. BidExecs represents with respect to the Marks that:

8.1.1 BidExecs' affiliate BidExecs IP, LLC is the owner of all right, title, and interest in and to the Marks.

8.1.2 BidExecs' affiliate has taken and will take all steps reasonably necessary to preserve and protect BidExecs' affiliate's ownership of, and validity in, the Marks.

8.1.3 BidExecs' affiliate has granted BidExecs the right to use, and sublicense the right to use, the Marks and the System in connection with the development and operation of BidExecs Businesses.

8.2 Use of the Marks. With respect to Franchisee's use of the Marks, Franchisee agrees that:

8.2.1 Franchisee shall use only the Marks designated by BidExecs, and shall use them only in the manner authorized and permitted by BidExecs; all items bearing the Marks shall bear the then-current logo.

8.2.2 Franchisee shall use the Marks only for the operation of the business franchised hereunder, or in BidExecs approved advertising for the business conducted within the Designated Marketing Area.

8.2.3 Unless BidExecs otherwise directs Franchisee, in writing, to do so, Franchisee shall operate and advertise the Franchised Business only under the name "BidExecs," without prefix or suffix.

8.2.4 Franchisee shall identify itself (in a manner reasonably acceptable to BidExecs) as the owner of the Franchised Business in conjunction with any use of the Marks, including uses on invoices, order forms, receipts, and contracts, as BidExecs may designate in writing.

8.2.5 Franchisee's right to use the Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of BidExecs' rights.

8.2.6 Franchisee shall not use the Marks to incur any obligation or indebtedness on behalf of BidExecs.

8.2.7 Franchisee shall not use the Marks or any variant thereof as part of its corporate or other legal name, or as part of any e-mail address, domain name, websites or other identification of Franchisee in any electronic medium (including e-mail addresses, account names in a social media site, and the like) of Franchisee or the Franchised Business in any forum or medium.

8.2.8 Franchisee shall execute any documents deemed necessary by BidExecs to obtain protection for the Marks or to maintain their continued validity and enforceability.

8.2.9 With respect to litigation involving the Marks, the parties agree that:

8.2.9.1. Franchisee shall promptly notify BidExecs of any suspected infringement of the Marks, any known challenge to the validity of the Marks, or any known challenge to BidExecs' ownership of, or Franchisee's right to use, the Marks licensed hereunder. Franchisee acknowledges that BidExecs or its affiliate shall have the right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement thereof. BidExecs or its affiliate shall also have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks.

8.2.9.2. Except to the extent that any litigation involving the Marks is the result of Franchisee's use of the Marks in a manner inconsistent with the terms of this Agreement or involving any other claim against BidExecs, BidExecs or its affiliate shall reimburse Franchisee for its out of pocket litigation costs in doing such acts and things, except that Franchisee shall bear the salary costs of its employees, and BidExecs or its affiliate shall bear the costs of any judgment or settlement but only if the claim on which the judgment or settlement is made is only related to the validity or ownership of the mark. To the extent that such litigation is the result of Franchisee's use of the Marks in a manner inconsistent with the terms of this Agreement, Franchisee shall reimburse BidExecs or its affiliate for the cost of such litigation (or, upon BidExecs' written request, pay BidExecs' legal fees directly), including attorney's fees, as well as the cost of any judgment or settlement.

8.2.9.3. If BidExecs or its affiliate undertakes the defense or prosecution of any litigation relating to the Marks, Franchisee shall execute any and all documents and do such acts and things as may, in the opinion of counsel for BidExecs, be necessary to carry out such defense or prosecution, including becoming a nominal party to any legal action.

8.3 Franchisee Acknowledgements Regarding the Marks. Franchisee expressly understands and acknowledges that:

8.3.1 As between Franchisee and Franchisor, Franchisor or its affiliates are the exclusive owner of the Marks. The Marks are valid, owned by BidExecs' affiliate, and serve to identify the System and those who are authorized to operate under the System.

8.3.2 Neither Franchisee nor any Principal of Franchisee shall directly or indirectly contest the validity or BidExecs' affiliate's ownership of the Marks, nor shall Franchisee, directly or indirectly, seek to register the Marks with any government agency, except with BidExecs' and its affiliate's express prior written consent.

8.3.3 Franchisee's right to use Marks is derived solely from this Agreement and limited to its operation of the Franchised Business pursuant to and in compliance with this Agreement and Franchisor's standards and specifications. Franchisee's use of the Marks does not give Franchisee any ownership interest or other interest in or to the Marks, except the license granted by this Agreement.

8.3.4 Any and all goodwill arising from Franchisee's use of the Marks shall inure solely and exclusively to the benefit of BidExecs and/or its affiliate. This Agreement does not confer any goodwill or other interests in Marks upon Franchisee other than the limited right to operate the Franchised Business in compliance with this Agreement. Upon expiration or earlier termination of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Marks.

8.3.5 The right and license of the Marks granted hereunder to Franchisee is nonexclusive, and BidExecs and its affiliate thus have and retain the rights, among others:

8.3.5.1. To use the Marks itself in connection with selling services and products;

8.3.5.2. To grant other licenses for the Marks, in addition to those licenses already granted to existing franchisees or other licensees authorized to operate using the Marks;

8.3.5.3. To develop and establish other systems using the same or similar marks, or any other marks, and to grant licenses or franchises thereto without providing any rights therein to Franchisee.

8.3.6 Franchisor may, at any time, at its sole option, require Franchisee to use any additional, alternative, or substitute Marks. If Franchisor for any reason is required to or deems it advisable to modify or discontinue the use of any Marks and/or use one or more additional, alternative, or substitute trademarks or service marks, Franchisee will comply with Franchisor's directions within a reasonable time after receiving notice from Franchisor. All costs and expenses relating to the modification or discontinuance of the use of any Marks and/or the use of one or more additional, alternative, or substitute trademarks or service marks will be paid by Franchisee. All provisions of this Agreement applicable to Marks apply to any additional, alternative, or substitute trademarks and service marks or other commercial symbols that Franchisor authorizes Franchisee to use pursuant to this Agreement.

9. MANUALS

9.1 Manuals. In order to protect the reputation and goodwill of BidExecs, its affiliates, and the BidExecs brand and System and to maintain high standards of operation under BidExecs' Marks, Franchisee shall conduct its business in accordance with the Manuals. The Manuals may consist of multiple volumes of printed text, video and/or audio tapes and files, computer disks, and other electronically stored data, and various and periodic or episodic operational and/or management bulletins, in any format, and Franchisee acknowledges and agrees that BidExecs may provide a portion or all of the Manuals (including updates and amendments), and other instructional information and materials in, or via, electronic media, including through the Internet. Franchisee may use the Manuals for the duration of the Franchise Agreement.

9.2 Confidentiality of the Manuals. Franchisee shall at all times treat the Manuals, any other manuals created for or approved for use in the operation of the Franchised Business, and the information contained therein, as confidential, and shall use best efforts to maintain such information as secret and confidential, protect it from viewing by others, and treat the Manuals with the same degree of care as it would treat its most highly confidential documents. Franchisee shall not at any time copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person.

9.3 Protection of the Manuals. The Manuals shall at all times remain the sole property of BidExecs and shall at all times be kept in a secure place on the business premises of Franchisee. Franchisee shall ensure that the Manuals are kept current and up to date; and, in the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by BidExecs at BidExecs' home office shall be controlling.

9.4 Revisions to the Manuals. BidExecs may from time to time revise the contents of the Manuals, and Franchisee expressly agrees to make corresponding revisions to its copy of the Manuals, as applicable and to comply with each new or changed standard immediately upon receipt of such revision.

10. CONFIDENTIALITY AND COVENANTS NOT TO COMPETE

10.1 Confidential Information. Franchisee shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, entity, association, or corporation any confidential information, trade secrets, knowledge, or know-how concerning the methods of operation of the business franchised hereunder which may be communicated to Franchisee or of which Franchisee may be apprised by virtue of Franchisee's operation under the terms of this Agreement (the "**Confidential Information**"). Franchisee shall divulge such Confidential Information only to such of its employees as must have access to it in order to operate the Franchised Business. Any and all information, knowledge, know-how, and techniques which BidExecs designates as confidential shall be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate came to its attention prior to disclosure thereof by BidExecs; or which, at or after the time of disclosure by BidExecs to Franchisee, had become or later becomes a part of the public domain, through publication or communication by others. Any employee who may have access to any Confidential Information regarding the Franchised Business shall execute a covenant that s/he will maintain the confidentiality of information they receive in connection with their association with Franchisee. Such covenants shall be on a form provided by BidExecs, which form shall, among other things, designate BidExecs as a third party beneficiary of such covenants with the independent right to enforce them. Notwithstanding any other provision of this Agreement, there may be certain, limited circumstances where applicable law allows for the disclosure of certain trade secrets.

10.2 Irreparable Injury. Franchisee acknowledges that any failure to comply with the requirements of this Section 10 will cause BidExecs irreparable injury, and Franchisee agrees to pay all court costs and reasonable attorney's fees incurred by BidExecs in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 10.

10.3 Information Exchange. Franchisee agrees to disclose to BidExecs all ideas, concepts, methods, techniques and products conceived or developed by Franchisee, its affiliates, owners, agents, or employees during the term of this Agreement relating to the development and/or operation of the Franchised

Business. Franchisee hereby agrees that BidExecs or its affiliates own any such ideas, concepts, methods, techniques, and products and shall execute and obtain the execution of such documents as BidExecs or its affiliate may prescribe to affect such ownership. BidExecs shall have no obligation to make any payments to Franchisee with respect to any such ideas, concepts, methods, techniques or products. Franchisee agrees that Franchisee will not use or allow any other person or entity to use any such concept, method, technique or product without obtaining BidExecs' prior written approval.

10.4 Full Time and Best Efforts. During the term of this Agreement, except as otherwise approved in writing by BidExecs, the Operating Principal or a Manager appointed in accordance with Section 5 shall devote full time, energy, and best efforts to the management and operation of the Franchised Business.

10.5 In-Term Covenants. Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and Confidential Information, including information regarding BidExecs' operational, sales, promotional, and marketing methods and techniques and the System. During the term of this Agreement, except as otherwise approved in writing by BidExecs, Franchisee shall not within anywhere in the United States, either directly or indirectly, for Franchisee, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity:

10.5.1 Divert or attempt to divert any business or customer of the Franchised Business or of any BidExecs Business using the System 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 and the System.

10.5.2 Except as otherwise approved in writing by BidExecs directly or indirectly own, maintain, operate, engage in, have any interest in or provide any assistance to (whether as owner, stockholder, partner, officer, director, employee, consultant, franchisor, lessor, or otherwise) any "**Competitive Business**," which shall mean any business that provides assistance in connection with identifying or responding to requests for proposal or other contract opportunities including, any business that provides any of the Designated Services described on the Summary Pages or services that are competitive with or substantially similar to the Designated Services, or any company that generates more than one percent (1%) of its revenue from government contracts.

10.6 Post-Term Covenants. Except as otherwise approved in writing by BidExecs, Franchisee shall not, for a continuous uninterrupted period of three (3) years from the date of: (a) a transfer permitted under Section 12.3 above; (b) expiration or earlier termination of this Agreement (regardless of the cause for termination); or (c) a final order of a duly authorized arbitrator, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to the enforcement of this Section 10.610.5.2; either: (1) directly or indirectly own, maintain, operate, engage in, have any interest in, or provide any assistance to (whether as owner, stockholder, partner, officer, director, employee, consultant, franchisor, franchisee, lessor, or otherwise) any Competitive Business which is, or is intended to be, located: (a) within the Designated Marketing Area or (b) within 50 (fifty) miles of any other BidExecs Business office owned and/or operated by BidExecs or a franchisee as of the time that the obligations under this Section 10.6 commence or (2) solicit any former customers of the Franchised Business or any other BidExecs Business, or (3) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System. If Franchisee does not comply with the post-term covenants as specified in this Section 10.6, the post-term non-compete period shall not begin to run until Franchisee begins to comply.

10.7 Publicly-Held Corporations. Section 10.6 above shall not apply to ownership by Franchisee of less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly held corporation. As used in this Agreement, the term "**publicly held corporation**" shall be deemed to refer to a corporation which has securities that have been registered under the Securities Exchange Act of 1934.

10.8 Individual Covenants. Franchisee shall require and obtain execution of covenants similar to those set forth in Sections 8, 9, 10, 12, and 14 (as modified to apply to an individual, if applicable) from any or all of Franchisee's owners holding a ten percent (10%) or greater interest in Franchisee, the Operating Principal, and any spouse (or domestic partner or other immediate family member) of an owner. The covenants required by this Section 10.8 shall be in the form provided in Exhibit D to this Agreement. Franchisee shall deliver to BidExecs copies of such executed covenants immediately upon BidExecs' request. Failure by Franchisee to obtain execution of a covenant required by this Section 10.8 shall constitute a default under Sections 10.5 and 10.6 above.

10.9 Severability. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 10 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which BidExecs is a party, Franchisee agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 10.

10.10 Scope of Covenants. BidExecs shall have the right to reduce the scope of any covenant set forth in Sections 10.5 and 10.6 in this Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof; and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 24 and 24.2 below.

10.11 Enforcement of Claims. The existence of any claims Franchisee may have against BidExecs, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by BidExecs of the covenants in this Section 10. Franchisee agrees to pay all costs and expenses (including reasonable attorneys' fees, costs, and expenses (and interest on such fees, costs, and expenses)) incurred by BidExecs in connection with the enforcement of this Section 10.

10.12 Irreparable Injury. Franchisee acknowledges that Franchisee's violation of the terms of this Section 10 would result in irreparable injury to BidExecs for which no adequate remedy at law may be available, and Franchisee accordingly consents to the issuance of an injunction prohibiting any conduct by Franchisee in violation of the terms of this Section 10.

10.13 Remedies Not Exclusive. The remedies in this Section 10 are in addition to the other right and remedies available to BidExecs and shall not serve as an election of remedies or a waiver of any other rights.

11. INSURANCE

11.1 Franchisee shall comply with the following indemnification and insurance provisions:

11.1.1 Insurance Requirements. Prior to the commencement of any activities or operations pursuant to this Agreement, Franchisee shall procure and maintain in full force and effect during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required hereunder for events having occurred during the Term of this Agreement), at Franchisee's expense, the following insurance policy or policies in connection with the Franchised Business. Such policy or policies shall be written by an insurance company or companies approved by BidExecs, having a rating of at least

“A”- VII in the most recent Key Rating Guide published by the A.M. Best Company (or another rating that BidExecs reasonably designates if A.M. Best Company no longer publishes the Key Rating Guide) and licensed to do business in the state in which the Franchised Business is located. All policies will be primary and non-contributory to any insurance BidExecs may carry and include a waiver of subrogation in BidExecs’ favor. Such policy or policies shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified for all franchisees from time to time by BidExecs in writing to reflect inflation, identification of new risks, changes in the law or standards of liability, higher damage awards and other relevant changes in circumstances), the following:

11.1.1.1. Liability. A comprehensive general liability policy in the amount of not less than$2,000,000 bodily injury aggregate and $1,000,000 per occurrence, including operations, products and completed operations, broad form contractual liability, personal injury, and advertising liability. This coverage part will also include sexual misconduct liability coverage for not less than $100,000 per occurrence and $300,000 aggregate sublimit.

11.1.1.2. Business Income and Extra Expense. Business income and extra expense insurance in an amount not less than adequate to pay for continuing expenses for a limit of fifty percent (50%) of annual sales or twelve (12) months actual loss sustained basis.

11.1.1.3. Statutory Workers’ Compensation Insurance. Statutory workers’ compensation insurance and employer’s liability insurance for a minimum limit of at least One Million Dollars ($1,000,000), as well as such other disability benefits type insurance as may be required by statute or rule of the state in which the Franchised Business is located. Franchisee shall have and maintain such insurance for all of its employees prior to any employee commencing any training with BidExecs. Franchisee agrees to obtain a waiver of subrogation endorsement on its workers’ compensation policy, and shall provide to BidExecs proof of both (i) the effective workers’ compensation policy, and (ii) the endorsement to such policy waiving the insurer’s right of subrogation.

11.1.1.4. Commercial Umbrella Liability Insurance. Commercial umbrella liability insurance with limits which bring the total of all primary underlying coverages to not less than Three Million Dollars ($3,000,000) total limit of liability.

11.1.1.5. Cyber Liability Insurance. Cyber liability insurance in an amount that BidExecs designates.

11.1.1.6. Other Insurance. Any other insurance coverage that is required by federal, state, or municipal law.

11.2 Referenced in Manuals. Reserved

11.3 Policy Cancellation. In the event of cancellation, material change-remove, or non-renewal of any policy, thirty (30) days’ advance written notice must be provided to BidExecs in the manner provided in Section 11.7 below. Franchisee shall arrange for a copy of such notification to be sent to BidExecs by the insurance company.

11.4 Construction and Remodeling Insurance. In connection with all significant construction, reconstruction, or remodeling of the premises of the Franchised Business (if applicable) during the term of this Agreement, Franchisee will cause the general contractor, its subcontractors, and any other contractor, to effect and maintain at general contractor’s and all other contractor’s own expense, such insurance policies and bonds with such endorsements as are set forth in writing, all written by insurance or bonding companies approved by BidExecs, having a rating as set forth in Section 11.1.1 above.

11.5 No Waiver of Obligations. Franchisee's obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by BidExecs, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section 16.1.3 below.

11.6 BidExecs to be Additional Named Insured. All insurance policies shall list BidExecs and its affiliates, and their respective officers, directors, employees, partners, members, subsidiaries, employees and agents as additional insureds, and shall also contain a provision that BidExecs, although named as an insured, shall nevertheless be entitled to recover under such policies on any loss occasioned to BidExecs or its servants, agents, or employees by reason of the negligence of Franchisee or its servants, agents, or employees. Additional insured status shall include coverage for ongoing and completed operations. The additional insured endorsement form shall be ISO CG 20-26 or such equivalent form that BidExecs approves in writing that provides comparable coverage. Additional insured coverage shall not be limited to vicarious liability and shall extend to (and there shall be no endorsement limiting coverage for) BidExecs' negligent acts, errors or omissions or other additional insureds. Franchisee shall maintain such additional insured status for BidExecs on Franchisee's liability policies continuously during the term of the Franchise Agreement.

11.7 Evidence of Insurance. At least thirty (30) days prior to the time any insurance is first required to be carried by Franchisee, and thereafter at least thirty (30) days prior to the expiration of any such policy, Franchisee shall deliver to BidExecs, certificates of insurance, endorsements, insurance declarations and/or other documents requested by BidExecs (collectively, "**certificates**"), evidencing the required minimum coverage required hereunder. All certificates shall expressly provide that no less than thirty (30) days' prior written notice shall be given BidExecs in the event of material alteration to, cancellation, or non-renewal of the coverages evidenced by such certificates. Further certificates evidencing the insurance required by Section 11.1.1 above shall expressly provide that any interest of same therein shall not be affected by any breach by Franchisee of any policy provisions for which such certificates evidence coverage. In the event that Franchisee fails to obtain the required insurance or to provide evidence reasonably satisfactory to BidExecs of the insurance policies required by Section 11, BidExecs shall have the right, but not the duty, to obtain such required policies on Franchisee's behalf, and Franchisee agrees that it will promptly reimburse BidExecs for all costs related to obtaining such policies upon notice from BidExecs.

11.8 Proof of Insurance. In addition to its obligations under Section 11.7 above, on the first (1st) anniversary of the Effective Date, and on each subsequent anniversary thereof during the term of this Agreement and any renewal hereof, Franchisee shall provide BidExecs with proof of insurance evidencing the proper coverage with limits not less than those required hereunder, in such form as BidExecs may reasonably require.

11.9 Policy Limit Changes. BidExecs shall have the right, from time to time, to make such changes in minimum policy limits, endorsements, and types of coverages, as it deems advisable.

11.10 BidExecs' Insurance. Franchisee acknowledges and agrees that any insurance policies maintained by BidExecs for BidExecs' benefit shall have no effect upon Franchisee's obligation to obtain any insurance required by this Section 11.

12. TRANSFER OF INTEREST

12.1 BidExecs Transfers. BidExecs has the right to transfer or assign this Agreement, the System, Confidential Information, and all or any part of BidExecs' rights or obligations under this Agreement or BidExecs' interest in the System and Confidential Information to any person or legal entity without Franchisee's consent. Any transferee or assignee of this Agreement from BidExecs will become solely responsible for all of BidExecs' obligations under this Agreement from the date of the transfer or assignment. Without limiting the foregoing, BidExecs may sell its assets (including its rights in the Marks and the System) to a third party; may offer its securities privately or publicly; may merge with or acquire other legal entities, or be acquired by another legal entity; and may undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring. With regard to any or all of the above transfers, sales, assignments, and dispositions, Franchisee waives any claims, demands, or damages against BidExecs or its affiliates arising from or related to BidExecs' transfer of its rights in this Agreement, the System, or Confidential Information to any other party. Nothing contained in this Agreement will require BidExecs to remain in the business of operating or licensing the operation of BidExecs Businesses or other businesses or to offer any services or products to Franchisee, whether or not bearing the Marks, if BidExecs transfers or assigns its rights in or obligations under this Agreement and the System.

12.2 Owners. Each owner of Franchisee, and the interest of each of them in Franchisee, is identified in Exhibit C hereto. Franchisee represents and warrants that its owners are set forth on Exhibit C attached to this Agreement, and covenants that Franchisee will not permit the identity of such owners, or their respective interests in Franchisee, to change without Franchisor's written consent and without complying with this Agreement.

12.3 Franchisee Transfers. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that BidExecs has granted this franchise in reliance on Franchisee or its owners' business skill, financial capacity, and personal character. Accordingly:

12.3.1 Franchisee and its owners shall not, without BidExecs' prior written consent, transfer, assign, sell, convey, pledge, gift, or otherwise encumber: (a) this Agreement or any of Franchisee's rights and obligations under this Agreement; (b) all or substantially all of the assets of the Franchised Business; or (c) Franchisee or any direct or indirect ownership interest in Franchisee (individually and collectively, a "Transfer").

12.3.2 If Franchisee is a corporation or limited liability company, Franchisee shall not, without BidExecs' prior written consent, issue any voting securities or securities convertible into voting securities, and the recipient of any such securities shall become an owner under this Agreement, if so designated by BidExecs.

12.3.3 Franchisee's owner shall not, without BidExecs' prior written consent, transfer, assign, sell, convey, pledge, gift, or otherwise encumber any interest of an owner in Franchisee as shown in Exhibit C.

12.4 Conditions for Approval. No Transfer is permitted or authorized without BidExecs' prior written consent, and any Transfer without BidExecs' prior written consent is null and void. BidExecs will not unreasonably withhold any consent required by Section 12.3.3 above; provided, BidExecs may require, among other things, any or all of the following as conditions of BidExecs' consent:

12.4.1 Franchisee and the proposed transferee shall comply with BidExecs' then-current transfer policies. Franchisee and the proposed transferee shall provide BidExecs with all information and documents requested by BidExecs for its evaluation of the proposed transfer, transaction, and transferee, including the business and financial terms of the proposed transaction, financial and operational information regarding the proposed transferee, and evidence of any financing that may be required to complete the transaction and/or fund the transferee's operation after the transfer.

12.4.2 Franchisee and its owners shall execute a general release (which shall include a release from the transferor, Franchisee, Franchisee's owners, and guarantors), in a form satisfactory to BidExecs, of any and all claims against BidExecs and its affiliates, successors, and assigns, and their respective directors, officers, shareholders, partners, agents, representatives, servants, and employees in their corporate and individual capacities including claims arising under this Agreement, any other agreement between BidExecs and Franchisee or their affiliates, and federal, state, and local laws and rules.

12.4.3 The transferee of an owner shall be designated as an owner and each transferee who is designated as an owner shall enter into a written agreement, in a form satisfactory to BidExecs, agreeing to be bound as an owner under the terms of this Agreement as long as such person or entity owns any interest in Franchisee; and, if Franchisee's obligations were guaranteed by the transferor, the owner shall guarantee the performance of all such obligations in writing in a form satisfactory to BidExecs.

12.4.4 Prior to, and after the transfer, the transferee and its owners shall meet BidExecs' educational, managerial, and business standards; each shall possess a good moral character, business reputation, and credit rating; have the aptitude and ability to operate the Franchised Business, as may be evidenced by prior related business experience or otherwise; and have adequate financial resources and capital to operate the Franchised Business. The price, consideration, and other proposed terms of the proposed transfer must not, in BidExecs' reasonable business judgment, have the effect of negatively impacting the future viability of the Franchised Business.

12.4.5 At BidExecs' option, the transferee shall execute the form of franchise agreement then being offered to new franchisees, and such other ancillary agreements required by BidExecs for the business franchised hereunder, which agreements shall supersede this Agreement and its ancillary documents in all respects, and the terms of which may differ from the terms of this Agreement including higher Royalty Fees, and a different or modified Designated Marketing Area, provided however that the term of such franchise agreement shall be equal to the then unexpired term of this Agreement.

12.4.6 At BidExecs' sole option, Franchisee or the transferee, at the sole cost and expense of Franchisee or the transferee, as applicable, shall upgrade the Franchised Business to conform to the then-current standards and specifications of new Franchised Business then being established in the System, and shall complete the upgrading and other requirements set forth in this Section12.4.6 or as required under Section 5.9 above within the time specified by BidExecs.

12.4.7 All of Franchisee's monetary obligations hereunder shall be paid in full on a current basis, and Franchisee must not be otherwise in default of any of Franchisee's obligations hereunder including Franchisee's reporting obligations.

12.4.8 The transferor shall remain liable for all of the obligations to BidExecs in connection with the Franchised Business that arose prior to the effective date of the transfer, and any covenants that survive the termination or expiration of this Agreement, and shall execute any and all instruments reasonably requested by BidExecs to evidence such liability.

12.4.9 Transferee and its Operating Principal, and such other owners or managers as specified by BidExecs, shall successfully complete (to BidExecs' satisfaction) all training programs required by BidExecs (including the Initial Training Program) upon such terms and conditions as Franchisor may reasonably require (and while BidExecs will not charge a training fee for attendance at such training programs, the transferee shall be responsible for the salary and all expenses of all persons who attend such training).

12.4.10 To compensate BidExecs for BidExecs' legal, accounting, training, and other expenses incurred in connection with the transfer, Franchisee shall pay BidExecs a non-refundable transfer fee in the amount of thirty-five thousand dollars ($35,000). The transfer fee shall be paid at the earlier of (a) when the transferee signs the new franchise agreement, or (b) when the transferee begins training. The transfer fee is non-refundable. In addition, in the event a proposed transfer is not consummated or closed, for any reason except for disapproval by BidExecs, Franchisee or the proposed transferee shall reimburse BidExecs for all of BidExecs' costs and expenses incurred in connection with BidExecs' evaluation of the proposed transfer, including attorneys' and accountants' fees, background checks, and training, if applicable, to the extent the portion of the transfer fee paid does not cover those costs and expenses.

12.4.11 The transferor must certify to BidExecs that the transferor has provided to the transferee true, complete and accurate copies of Franchisee's financial information and documents regarding the operation of the Franchised Business, including the trailing two years of financial statements and monthly cash reports, material contracts, and such other information as may be specified by BidExecs.

12.4.12 The transferor must acknowledge and agree that the transferor shall remain bound by the covenants contained in Section 10 above.

12.5 Transfers to Entities for the Convenience of Ownership. If Franchisee desires to transfer all of Franchisee's interest in this Agreement, or if all of Franchisee's owners desire to transfer all of their ownership interests in Franchisee, to a corporation, limited liability company, or other entity, solely for the convenience of ownership and/or for tax or estate planning reasons, BidExecs shall not unreasonably withhold BidExecs' consent to such transfer, and BidExecs shall not require that Franchisee comply with the provisions and conditions of Section 12.4 or 12.6, if Franchisee complies with all of the following conditions:

12.5.1 Franchisee shall provide written notice to BidExecs not less than thirty (30) days prior to the date of the proposed transfer, and shall provide BidExecs with such documents and information as BidExecs may request in support of Franchisee's request, which may include, among other things, entity formation and good standing certifications, evidence of insurance in the name of the new franchisee entity, and bank information for the new franchisee entity.

12.5.2 Franchisee and Franchisee's owners shall own all of the outstanding equity interests in the new franchisee entity, and shall own the same percentage ownership interests in the new franchisee entity as they own in Franchisee.

12.5.3 Each owner who owns at least fifteen percent (15%) of the outstanding equity interests in the new franchisee entity shall execute a Guarantee in the form attached as Exhibit D hereto.

12.5.4 Franchisee and Franchisee's owners shall comply with the provisions of Sections 12.4.1, 12.4.2, 12.4.6, 12.4.7, and 12.4.11 of this Agreement, and the new entity and its owners shall comply with Sections 5.17 and 5.18 of this Agreement.

12.5.5 Franchisee and Franchisee's owners shall execute such transfer documents, agreements and other materials as BidExecs may require.

12.6 Right of First Refusal.

12.6.1 If Franchisee or any owner desires to accept any *bona fide* offer from a third party to purchase Franchisee, all or substantially all of the assets of the Franchised Business, or any direct or indirect interest in Franchisee, Franchisee or such owner shall promptly notify BidExecs of such offer and shall provide such information and documentation relating to the offer as BidExecs may require. BidExecs shall have the right and option, exercisable within thirty (30) days after receipt of all such information, to send written notice to the seller that BidExecs intends to purchase the seller's interest on the same terms and conditions offered by the third party. If BidExecs elects to purchase the seller's interest, the closing on such purchase shall occur within sixty (60) days after the date of notice to the seller of the election to purchase by BidExecs.

12.6.2 Any material change in the terms of the *bona fide* offer prior to closing shall constitute a new offer subject to the same rights of first refusal by BidExecs as in the case of the third party's initial offer. BidExecs' failure to exercise the option afforded by this Section 12.6 shall not constitute consent to a proposed transfer, a waiver of any other provision of this Agreement, including all of the requirements of this Section 12, with respect to a proposed transfer, or a waiver of any subsequent offer.

12.6.3 In the event the consideration, terms, and/or conditions offered by a third party are such that BidExecs may not reasonably be required to furnish the same consideration, terms, and/or conditions, then BidExecs may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the consideration, terms, and/or conditions offered by the third party, they must attempt to appoint a mutually-acceptable independent appraiser to make a binding determination. If the parties are unable to agree upon one (1) independent appraiser, then an independent appraiser shall be promptly designated by BidExecs and another independent appraiser shall be promptly designated by Franchisee, which two (2) appraisers shall, in turn, promptly designate a third appraiser; all three (3) appraisers shall promptly confer and reach a single determination, which determination shall be binding upon BidExecs and Franchisee. The cost of any such appraisal shall be shared equally by BidExecs and Franchisee. If BidExecs elects to exercise its right under this Section 12.6, BidExecs shall have the right to set off all amounts due from Franchisee, and one-half (½) of the cost of the appraisal, if any, against any payment to the seller.

12.7 Transfer Upon Death. Within six (6) months after the death of Franchisee (if a natural person) or the death of an owner of Franchisee, the executor, administrator, or other personal representative of the deceased will transfer the interest of the deceased in this Agreement or Franchisee to a third party approved by BidExecs in accordance with Section 12.4. If no personal representative is designated or appointed and no probate proceedings are instituted with respect to the estate of the deceased, the distributee of the interest of the deceased must be approved by BidExecs. If the distributee is not approved by BidExecs, the distributee will transfer the interest of the deceased to a third party approved by BidExecs within six (6) months after the date of death of the deceased in accordance with Section 12.4.

12.8 Transfer Upon Permanent Disability. Upon Franchisee's permanent disability or the permanent disability of any owner with a controlling interest in Franchisee, BidExecs may require Franchisee's or the owner's interest to be transferred to a third party approved by BidExecs within six (6) months after notice to Franchisee. "**Permanent Disability**" shall mean any physical, emotional, or mental injury, illness, or incapacity that would prevent a person from performing the obligations set forth in this Agreement for at least six (6) consecutive months and from which condition recovery within six (6) consecutive months from the date of determination of disability is unlikely. If BidExecs and Franchisee or Franchisee's representative disagree as to whether a person has a permanent disability, the existence of the permanent disability shall be determined by a licensed practicing physician selected by BidExecs upon examination of such person or, if such person refuses to be examined, then such person shall automatically be deemed permanently disabled for the purposes of this Section 12.8 as of the date of refusal. BidExecs shall pay the cost of the required examination.

12.9 Notification Upon Death or Permanent Disability. Within ten (10) days after the death or permanent disability of Franchisee (if a natural person) or an owner, Franchisee or Franchisee's representative shall notify BidExecs of the death or permanent disability in writing. Any transfer upon death or permanent disability will be subject to the same terms and conditions set out in this Section 12 for any transfer.

12.10 No Waiver of Claims. BidExecs' consent to a transfer which is the subject of this Section 12 shall not constitute a waiver of any claims BidExecs may have against the transferring party, nor shall it be deemed a waiver of BidExecs' right to demand exact compliance with any of the terms of this Agreement by the transferor or transferee.

12.11 Insolvency. If Franchisee or any person holding any interest (direct or indirect) in Franchisee becomes a debtor in a proceeding under the U.S. Bankruptcy Code or any similar law in the U.S. or elsewhere, it is the parties' understanding, intent, and agreement that any transfer in this Agreement, Franchisee, Franchisee's obligations and/or rights hereunder, all or substantially all of the assets of the Franchised Business, or any indirect or direct interest in Franchisee shall be subject to all of the terms of this Section 12.

12.12 Securities Offerings. All materials for an offering of stock or membership interests in Franchisee or any of Franchisee's affiliates which are required by federal or state law shall be submitted to BidExecs for review as described below before such materials are filed with any government agency. Any materials to be used in any exempt offering shall be submitted to BidExecs for such review prior to their use. No offering by Franchisee or any of Franchisee's affiliates shall imply (by use of the Marks or otherwise) that BidExecs is participating in an underwriting, issuance, or offering of the securities of Franchisee or Franchisee's affiliates; and BidExecs' review of any offering shall be limited solely to the relationship between BidExecs and Franchisee and any subsidiaries and affiliates, if applicable, and shall not constitute any opinion as to any legal requirement. BidExecs may, at its option, require the offering materials to contain a written statement prescribed by BidExecs concerning the limitations stated in the preceding sentence. Franchisee (and the offeror if not Franchisee), the owners, and all other participants in the offering must fully indemnify BidExecs, its subsidiaries, affiliates, successor, and assigns, and their respective directors, officers, shareholders, partners, agents, representatives, servants, and employees in connection with the offering and shall execute any and all documents required by BidExecs to endorse such indemnification. For each proposed offering, Franchisee shall pay BidExecs a non-refundable fee of Five Thousand Dollars ($5,000) or such greater amount as is necessary to reimburse BidExecs for its reasonable costs and expenses (including legal and accounting fees) for reviewing the proposed offering. Franchisee shall give BidExecs written notice at least thirty (30) days before the date that any offering or other transaction described in this Section 12 commences. Any such offering shall be subject to all of the other provisions of this Section 12; and further, without limiting the foregoing, it is agreed that any such offering shall be subject to BidExecs' approval as to the structure and voting control of the offeror (and Franchisee, if Franchisee is not the offeror) after the financing is completed.

13. DEFAULT AND TERMINATION

13.1 Automatic Termination. Franchisee shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Franchisee, if Franchisee shall become insolvent or make a general assignment for the benefit of creditors; or if a petition in bankruptcy is filed by Franchisee or such a petition is filed against and not opposed by Franchisee; or if Franchisee is adjudicated bankrupt or insolvent; or if a bill in equity or other proceeding for the appointment of a receiver or other custodian for Franchisee's business or assets is filed and consented to by Franchisee; or if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee; or if a final judgment of Ten Thousand Dollars ($10,000) or more against Franchisee or Franchisee's affiliate remains unsatisfied or of record for thirty (30) days or longer (unless appealed or a supersedeas bond is filed); or if Franchisee is dissolved; or if an attachment or execution is levied against Franchisee's business or property, including Franchisee's bank accounts, property or any receivables and is not dismissed within thirty (30) days.

13.2 Termination Upon Notice Without Opportunity to Cure. Franchisee shall be deemed to be in default and BidExecs may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon the delivery of written notice to Franchisee by BidExecs (in the manner set forth under Section 20 below), upon the occurrence of any of the following events:

13.2.1 If Franchisee fails to timely open the Franchised Business in accordance with BidExecs' standards and specifications;

13.2.2 If Franchisee, its Operating Principal, or managers fail to complete the Initial Training Program pursuant to Section 5.3 of this Agreement;

13.2.3 If Franchisee at any time without the written consent of BidExecs ceases to operate or otherwise abandons the Franchised Business for three (3) consecutive business days, or otherwise forfeits the right to do or transact business in the jurisdiction where the Franchised Business is located;

13.2.4 If Franchisee, any owner of Franchisee, or any affiliate of Franchisee is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that BidExecs believes is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or BidExecs' interest therein;

13.2.5 If Franchisee engages in any conduct or practice that is fraudulent, unfair, unethical, or a deceptive practice;

13.2.6 If a threat or danger to public health or safety results from the operation of the Franchised Business;

13.2.7 If Franchisee or any of Franchisee's owners purports to transfer any rights or obligations under this Agreement or any interest to any third party in a manner that is contrary to the terms of Section 12;

13.2.8 If Franchisee fails to permit an inspection or an audit pursuant to Section 7.4;

13.2.9 If Franchisee fails to comply with the covenants in Section 10.5 or fails to timely obtain execution of the covenants required under Section 10.8;

13.2.10 If, contrary to the terms of Sections 9 or 10 above, Franchisee discloses or divulges the contents of the Manuals or other Confidential Information provided to Franchisee by BidExecs;

13.2.11 If Franchisee knowingly maintains false books or records, or submits any false reports (including information provided as part of Franchisee's application for this franchise) to BidExecs;

13.2.12 If Franchisee makes, or has made, any misrepresentation or engaged in any act of fraud in connection with obtaining this Agreement or in conducting the business franchised and licensed under this Agreement;

13.2.13 If Franchisee fails to pay any supplier or vendor when due, and fails to cure such default within the time period specified by the supplier or vendor, or in the applicable supply contract;

13.2.14 If Franchisee fails to pay any third party, including a lender, seller or lessor of products, services or equipment, any amount due by Franchisee to such parties on any note, financing, obligation, or financial instrument when due, and such failure to pay the full amount owed is not cured after any notice required by the contract or under applicable law;

13.2.15 If Franchisee makes any unauthorized or improper use of the Marks, or if Franchisee or any owner of Franchisee fails to utilize the Marks solely in the manner and for the purposes directed by BidExecs, or directly or indirectly contests the validity of BidExecs' ownership of the Marks or BidExecs' right to use and to license others to use the Marks;

13.2.16 If Franchisee fails to submit to BidExecs any financial or other information required under this Agreement;

13.2.17 If Franchisee fails to operate the Franchised Business in accordance with this Agreement, including operating the Franchised Business in compliance with the operating standards and specifications established from time to time by BidExecs as to the quality of service, specifications and use of computer hardware and software;

13.2.18 If any other agreement between Franchisee and BidExecs (or any of its affiliates) is terminated for cause;

13.2.19 If Franchisee fails on more than three (3) occasions during any 12-month period to comply with one or more requirements of this Agreement, regardless of whether the prior defaults were cured;

13.2.20 If Franchisee fails to comply with any applicable laws as more specifically set forth in Section 15.3;

13.2.21 If Franchisee, prior to operating the Franchised Business, does not obtain BidExecs' prior written approval of an Operating Principal if Franchisee does not participate personally in the direct operation of the Franchised Business; or

13.2.22 If Franchisee, any of its owners, or any of its General Managers is or becomes a party to a government contract, or has or acquires any equity interest in any company that generates more than five percent (5%) of its revenue from the sale of goods and services to governmental entities.

13.3 Termination With Opportunity to Cure. Except as otherwise provided in Sections 13.1 and 13.2 above, upon any other default by Franchisee of Franchisee's obligations hereunder, BidExecs may terminate this Agreement by giving written notice of termination (in the manner set forth under Section 20 below) setting forth the nature of such default to Franchisee at least thirty (30) days prior to the effective date of termination (or, with respect to monetary defaults, five (5) days); provided, however, that Franchisee may avoid termination by immediately initiating a remedy to cure such default, curing it to BidExecs' satisfaction, and by promptly providing proof thereof satisfactory to BidExecs, all within the thirty (30) (or five (5)) day period. If any such default is not cured within the specified time, this Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the thirty (30) (or five (5)) day period or such longer period as applicable law may require.

13.4 Assignment Upon Bankruptcy. If, for any reason, this Agreement is not terminated pursuant to this Section 13, and the Agreement is assumed, or assignment of the same to any person or entity who has made a bona fide offer to accept an assignment of the Agreement is contemplated, pursuant to the United States Bankruptcy Code, then notice of such proposed assignment or assumption, setting forth: (i) the name and address of the proposed assignee; and (ii) all of the terms and conditions of the proposed assignment and assumption, shall be given to BidExecs within twenty (20) days after receipt of such proposed assignee's offer to accept assignment of this Agreement, and, in any event, within ten (10) days prior to the date application is made to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption, and BidExecs shall thereupon have the prior right and option, to be exercised by notice given at any time prior to the effective date of such proposed assignment and assumption, to accept an assignment of this Agreement to BidExecs upon the same terms and conditions and for the same consideration, if any, as in the bona fide offer made by the proposed assignee, less any brokerage commissions which may be payable by Franchisee out of the consideration to be paid by such assignee for the assignment of this Agreement. In the event BidExecs does not elect to exercise the options described in this Section 13.4, any transfer or assignment pursuant to the United States Bankruptcy Code shall be subject to the same terms and conditions of any other transfer or assignment set forth in Section 12.

13.5 Other Remedies. BidExecs has the right to undertake any one or more of the following actions in addition to, or in lieu of, terminating this Agreement:

13.5.1 BidExecs may require Franchisee to close the Franchised Business and take the necessary steps to bring the Franchised Business into strict conformity with BidExecs' standards and specifications and the requirements of this Agreement. Franchisee shall not reopen the Franchised Business until Franchisee has brought it into conformity with BidExecs' standards and specifications;

13.5.2 BidExecs may elect, but has no obligation, to assume complete operating control and possession of the Franchised Business and operate the same in the capacity of a receiver. BidExecs shall apply funds received from that operation, first to the payment of all of BidExecs' costs and expenses of operation, then to the current obligations of Franchisee to BidExecs or any third party, and then to the past due obligations of Franchisee to BidExecs or any third party, with any remaining funds paid over to Franchisee;

13.5.3 BidExecs may disable access to or remove all or any references to the Franchised Business or webpage(s) of the Franchised Business from the Authorized Website, until such time as the default is fully cured;

If any of such rights, options, arrangements, or areas are terminated or modified in accordance with this Section 13.5, such action shall be without prejudice to BidExecs' right to terminate this Agreement in accordance with Sections 13.2 or 13.3 above, and/or to terminate any other rights, options or arrangements under this Agreement at any time thereafter for the same default or as a result of any additional defaults of the terms of this Agreement.

14. OBLIGATIONS UPON TERMINATION OR EXPIRATION

14.1 Upon termination or expiration of this Agreement, all rights granted hereunder to Franchisee shall forthwith terminate, and:

14.1.1 Cease Operations. Franchisee shall immediately cease to operate the Franchised Business, and shall not thereafter, directly or indirectly, represent to the public or hold Franchisee out as a present or former franchisee of BidExecs.

14.1.2 Cease Use of Marks. Franchisee shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, procedures and techniques associated with the System, the mark "BidExecs" and all other Marks and distinctive forms, slogans, signs, symbols, and devices associated with the System. In particular, Franchisee shall cease to use all signs, advertising materials, displays, stationery, forms, and any other articles that display the Marks, remove all such articles and/or permit BidExecs to enter the Franchised Business and remove or permanently cover all signs or advertisements identifiable in any way with BidExecs' name or business, at Franchisee's expense.

14.1.3 Cancellation of Assumed Names. Franchisee shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the Mark "BidExecs" and all other Marks, and/or any other service mark or trademark, and Franchisee shall furnish BidExecs with evidence satisfactory to BidExecs of compliance with this obligation within five (5) days after termination or expiration of this Agreement.

14.1.4 Pay Monies Owed; Liquidated Damages. Within ten (10) days after the effective date of expiration or termination of this Agreement, or such later date that the amounts due to us are determined, Franchisee shall pay Franchisor all sums and amounts then due to Franchisor or its affiliates. Franchisee shall also pay to Franchisor, in addition to any amounts then due and owing, all damages suffered and expenses incurred by Franchisor as a result of any default, including reasonable attorneys' fees, expenses, and costs, and interest on such attorneys' fees, expenses, and costs. Franchisee acknowledges and agrees that, in the event this Agreement is terminated prior to its expiration due to a default by Franchisee, such termination will result in lost future revenue and profits to Franchisor, harm to the goodwill associated with the Marks, and increased costs to Franchisor to re-develop or re-franchise the Designated Marketing Area in which the Franchised Business is located. Franchisee further acknowledges and agrees that the actual damages that would be incurred by Franchisor in the event of any early termination of this Agreement would be difficult to calculate or ascertain. Accordingly, if this Agreement is terminated prior to its expiration due to a default by Franchisee, Franchisee will, within ten (10) days after the effective date of such termination, pay Franchisor in a single lump sum payment, as liquidated damages and not as a penalty, an amount equal to the product of the average yearly amount of Royalty Fees paid by Franchisee under Section 3.3 of this Agreement during the three (3) years immediately preceding the termination (or such period as the Franchised Business was open for business, if the Franchised Business was not open for business during the entire three-year period), multiplied by the lesser of (i) three (3) or (ii) the number of years remaining in the Agreement's then-current initial term or renewal term. Franchisee acknowledges and agrees that such amount is considered to be a reasonable, bona fide pre-estimate of damages, which is fair and reasonable under the circumstances, and not a penalty. Franchisee acknowledges and agrees that the liquidated damages specified in this Section 14.1.4 are only intended to compensate Franchisor for the early termination of this Agreement and Franchisor's loss of revenue resulting therefrom, but not for any other breach of this Agreement by Franchisee or any other damages, losses, or expenses incurred by Franchisor, and all other applicable remedies under the law remain available to Franchisor.

14.1.5 Return of Manuals and Other Materials. Franchisee shall immediately deliver to BidExecs the Manuals, plans, specifications, designs, records, data, samples, models, programs, handbooks and drawings relating to BidExecs' brand, System, operations, or business, and all other materials containing Confidential Information (including any copies thereof, even if such copies were made in violation of this Agreement), all of which are acknowledged to be BidExecs' property.

14.1.6 No Confusion. Franchisee agrees that, if it continues to operate or subsequently begins to operate any other business, Franchisee shall not use any reproduction, counterfeit copy, or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake, or deception, or which is likely to dilute BidExecs' rights in and to the Marks, and further agrees not to utilize any designation of origin, description, trademark, service mark, or representation which suggests or represents a present or past association or connection with BidExecs, the brand, the System, or the Marks.

14.1.7 Listings. Franchisee shall cease use of, and if BidExecs requests shall transfer to BidExecs, all telephone numbers, customer lists, and any domain names, websites, e-mail addresses, and any other identifiers, whether or not authorized by BidExecs, used by BidExecs while operating the Franchised Business, and shall promptly execute such documents or take such steps necessary to remove reference to the Franchised Business from all trade or business telephone directories, including "**yellow**" and "**white**" pages, or at BidExecs' request transfer same to BidExecs.

14.1.8 Option to Purchase Equipment. BidExecs shall have the option, to be exercised within thirty (30) days after expiration or earlier termination of this Agreement, to purchase from Franchisee any or all of the equipment or inventory related to the operation of the Franchised Business, at the lesser of the fair market value or Franchisee's book value. The book value shall be determined based upon a five (5) year straight line depreciation of original costs. For equipment that is five (5) or more years old, the parties agree that fair market value shall be deemed to be ten percent (10%) of the equipment's original cost. If BidExecs elects to exercise any option to purchase herein provided, BidExecs shall set off all amounts due from Franchisee. Notwithstanding any term or provision in this subparagraph to the contrary, BidExecs expressly reserves the right, but not the obligation, to negotiate to purchase the equipment directly from the lessor of the equipment. The transfer of the equipment from Franchisee to BidExecs shall take place within sixty (60) days after the expiration or earlier termination of this Agreement upon receipt of payment or any applicable transfer and release documents from BidExecs; provided, however, that if the transfer cannot take place within that time period because of delays caused by Franchisee's lender or lessor, the time period shall extend by a like number of days. If BidExecs exercises the foregoing option, Franchisee shall leave all of the equipment at the Franchised Business in good working order and repair and shall allow BidExecs to use the equipment without charge until the transfer of the equipment takes place.

14.1.9 Damages and Costs. Franchisee shall pay BidExecs all damages, costs, interest, and expenses, including reasonable attorneys' fees, costs, and expenses (and interest on such fees, costs, and expenses), incurred by BidExecs subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Section 14.1.

14.1.10 Other Rights of Franchisee. The termination of this Agreement shall not affect the rights of Franchisee to operate other BidExecs Businesses in accordance with the terms of any other applicable franchise agreements with BidExecs until and unless the other franchise agreements, or any of them, terminate or expire; provided, however, that this Section 14.1.10 shall not serve to negate or otherwise effect any cross default provisions contained in such franchise agreements.

15. TAXES, PERMITS AND INDEBTEDNESS

15.1 Taxes. Franchisee shall promptly pay when due all taxes levied or assessed, including unemployment and sales taxes, and all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of the Franchised Business. If Franchisee is required to deduct any sales tax, gross receipts tax, income tax, withholding tax or similar tax from any payment to BidExecs, then, to the extent that BidExecs is not able to successfully obtain and utilize a tax credit from the applicable taxing authorities, the amount payable by BidExecs shall be increased by such amount as is necessary to make the actual amount received (after such withholding tax and after any additional taxes on account of such additional payment) equal to the amount that BidExecs would have received had no tax payment been required, provided that such shortfall is not caused by BidExecs' gross negligence, willful misconduct, or fraud in filing the claims, or for reasons that can be solely attributable to BidExecs.

15.2 Tax Disputes. In the event of any bona fide dispute as to Franchisee's liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law.

15.3 Compliance With Laws and Good Business Practices. Franchisee shall comply with all applicable federal, state, and local laws, rules, ordinances and regulations, including government contracting, employment, labor, and wage and hour laws, tax laws, and local operating laws and regulations. Franchisee shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Franchised Business, including licenses to do business, health certificates, fictitious name registrations, sales tax permits, and fire clearances. To the extent that the requirements of such laws are in conflict with the terms of this Agreement, the Manuals, or BidExecs' other instructions, Franchisee shall: (a) comply with such laws; and (b) immediately provide written notice describing the nature of such conflict to BidExecs. All advertising and promotion by Franchisee shall be factually accurate and conform to the highest standards of ethical advertising. Franchisee shall in all dealings with its customers, suppliers and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct, and shall comply with all consumer protection and unfair competition laws and regulations. Franchisee agrees to refrain from any business or advertising practice which may be injurious to the business of BidExecs and the goodwill associated with the Marks.

15.4 Notification of Claims. Franchisee shall notify BidExecs in writing within three (3) days of receipt of notice of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, or within three (3) days occurrence of any accident or injury which may adversely affect the operation of the Franchised Business or Franchisee's financial condition, or give rise to liability or a claim against Franchisee or BidExecs.

16. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

16.1 It is understood and agreed by the parties hereto that this Agreement does not in any way create the relationship of principal, agent, fiduciary, joint venture, joint employer, or employer/employee between BidExecs and Franchisee; that Franchisee shall be an independent contractor; and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, joint employer, partner, employee, or servant of the other for any purpose whatsoever. For the avoidance of doubt, BidExecs is not the employer or joint employer of Franchisee or Franchisee's employees.

16.1.1 Identification as Independent Contractor. At all times during the term of this Agreement and any extensions hereof, Franchisee shall hold itself out to the public as an independent contractor operating the business pursuant to a franchise from BidExecs.

16.1.2 No Agency. Franchisee shall not act or attempt to act or represent itself, directly or by implication, as an agent of BidExecs. It is understood and agreed that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty, or representation on BidExecs' behalf, or to incur any debt or other obligation in BidExecs' name; and that BidExecs shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall BidExecs be liable by reason of any act or omission by Franchisee in Franchisee's conduct of the Franchised Business or for any claim or judgment arising therefrom against Franchisee or BidExecs. Franchisee shall not have the authority, express or implied, to bind or obligate BidExecs in any way.

16.1.3 Indemnification. Franchisee shall, to the fullest extent permissible under applicable law, indemnify and hold BidExecs and its affiliates, and each of BidExecs' respective officers, directors, employees, and agents (the "Indemnified Parties") harmless against any and all claims, obligations, and damages arising directly or indirectly from, as a result of, or in connection with this Agreement, the Franchised Business, Franchisee's operation of the Franchised Business, Franchisee and its employees' actions and inaction, or Franchisee's breach of this Agreement, including those alleged to be caused by BidExecs' negligence, as well as the costs, including attorneys' fees, costs, and expenses (and interest on such fees, costs, and expenses), of defending against them, unless (and then only to the extent that) the claims, obligations, and damages are determined to be caused solely by BidExecs' gross negligence or willful misconduct according to a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction. The indemnity set forth above includes claims, directly or indirectly, arising out of, from, or related to the Indemnified Parties' negligence, but not claims caused solely by the Indemnified Parties' gross negligence, fraud, or willful misconduct according to a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction. In the event BidExecs incurs any costs or expenses, including legal fees (including attorneys' fees, costs, and expenses (and interest on such fees, costs, and expenses)), travel expenses, and other charges, in connection with any proceeding involving Franchisee in which BidExecs are not a party, Franchisee shall reimburse BidExecs for all such costs and expenses promptly upon presentation of invoices. Franchisee acknowledges and agrees that Franchisee's indemnification and hold harmless obligations under this Section 16 shall survive the termination or expiration of this Agreement.

17. GOVERNING LAW AND DISPUTE RESOLUTION

17.1 Governing Law. This Agreement and the relationship of the parties shall be governed and construed in accordance with the laws of the Commonwealth of Virginia, without regard to its conflicts of laws provisions. However, the laws of the state in which the Franchised Business operates shall govern the enforcement of the non-compete provisions of Section 10 of this Agreement. Nothing in this Section 17 is intended by the parties to subject this Agreement to any franchise, business opportunity, antitrust, consumer protection, or any other law, rule, or regulation of the Commonwealth of Virginia to which this Agreement would not otherwise be subject.

17.2 Venue. Subject to the terms and provisions of Section 17.3 below, the parties agree that any action brought by one party against the other in any court, whether federal or state, shall be brought only before a federal or state court encompassing Reston, Virginia. The parties agree that this Section 17.2 shall not be construed as preventing either party from removing an action from state to federal court; provided, however, that venue shall be as set forth above. Franchisee and its owners hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Any such action shall be conducted on an individual basis, and not as part of a consolidated, common, or class action, and Franchisee and its owners waive any and all rights to proceed on a consolidated, common, or class basis.

17.3 Arbitration. Except as otherwise provided in this Agreement, any claim, controversy or dispute arising out of or relating to this Agreement, the Franchised Business, or the relationship created by this Agreement, including any claim by Franchisee or its owners, concerning the entry into, the performance under, or the termination of this Agreement, or any other Agreement between the parties will be resolved via binding arbitration under the authority of the Federal Arbitration Act in accordance with the following provisions:

17.3.1 Any arbitration will be administered by the American Arbitration Association (or its successor) pursuant to its then-current commercial arbitration rules and procedures. The arbitrator will have the authority to decide issues regarding arbitrability and the scope of the arbitrator's jurisdiction. The arbitration must take place in the Reston, Virginia.

17.3.2 Any arbitration must be on an individual basis, and not as part of a common, consolidated, or class action. The parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any other claim or any other proceeding involving third parties. If a court determines that this limitation on joinder of or class action certification of claims is unenforceable, then this entire commitment to arbitrate will become null and void and the parties will submit all claims to the jurisdiction of the courts.

17.3.3 The arbitrator must follow the law and not disregard the terms of this Agreement or its related agreements. Except as otherwise provided in this Agreement, the arbitrator will have the authority to award any interim, interlocutory, or final remedy or relief that a court of the Commonwealth of Virginia could order or grant, including, without limitation, general damages, specific performance of any obligation created under this Agreement, the issuance of an injunction or other extraordinary relief, or the imposition of sanctions for abuse or frustration of the arbitration process; however, the arbitrator may not under any circumstances: (i) stay the effectiveness of any pending termination of this Agreement; (ii) assess punitive or other prohibited damages; or (iii) make an award that extends, modifies, or suspends any lawful term of this Agreement or its related agreements or any reasonable standard of business performance that we set. A judgment may be entered upon the arbitration award by any state or federal court of competent jurisdiction. The decision of the arbitrator will be binding and final on all parties to the dispute.

17.3.4 Except as necessary to obtain interim or provisional relief, to enforce any arbitration award or order, or to comply with any franchise-specific disclosure obligation, the arbitration proceeding and award will be maintained as strictly confidential and neither party hereto nor the arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties hereto.

17.3.5 Each party will bear its share of the costs of the arbitration proceeding. The prevailing party to the arbitration will have the right to an award of its reasonable attorneys' fees and costs incurred after the filing of the demand for arbitration. If either BidExecs or Franchisee seeks to enforce this Agreement in any arbitral or other proceeding, the prevailing party will be entitled to recover its reasonable costs and expenses (including reasonable attorneys' fees, costs, and expenses (and interest on such fees, costs, and expenses) and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel or living expenses) incurred in connection with such judicial or other proceeding.

17.3.6 This agreement to arbitrate will survive the expiration or termination of this Agreement.

17.4 Injunctive Relief. Notwithstanding anything to the contrary contained in this Section 17, either party may file suit in a court of competent jurisdiction (pursuant to Section 17.2) for the entry of temporary or preliminary injunctive relief, restraining orders and orders of specific performance, including injunctive relief pertaining to Franchisee's use of the System, Marks, or Confidential Information, or impermissible competition.

17.5 Limitation of Actions. **EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION 17.5, ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE FRANCHISE RELATIONSHIP, OR FRANCHISEE'S OPERATION OF THE FRANCHISED BUSINESS, (INCLUDING ANY DEFENSES AND ANY CLAIMS OF SET-OFF OR RECOUPMENT), SHALL BE IRREVOCABLY BARRED UNLESS BROUGHT OR ASSERTED BEFORE THE EXPIRATION OF THE EARLIER OF (A) THE TIME PERIOD FOR BRINGING AN ACTION UNDER ANY APPLICABLE STATE OR FEDERAL STATUTE OF LIMITATIONS; (B) ONE (1) YEAR AFTER THE DATE UPON WHICH A PARTY DISCOVERED, OR SHOULD HAVE DISCOVERED, THE FACTS GIVING RISE TO AN ALLEGED CLAIM; OR (C) TWO (2) YEARS AFTER THE FIRST ACT OR OMISSION GIVING**

RISE TO AN ALLEGED CLAIM. CLAIMS ATTRIBUTABLE TO UNDERREPORTING OF SALES, AND CLAIMS OF THE PARTIES FOR FAILURE TO PAY MONIES OWED AND/OR INDEMNIFICATION SHALL BE SUBJECT ONLY TO THE APPLICABLE STATE OR FEDERAL STATUTE OF LIMITATIONS.

17.6 Waiver of Damages. Except with respect to the exclusions set forth in this Section 17.6, to the fullest extent permitted by applicable law and as provided below, BidExecs, Franchisee, and Franchisee's owners waive to the fullest extent permitted by law any right to or claim of any punitive, exemplary, treble, incidental, indirect, consequential (including lost profits), or other similar damages against BidExecs, Franchisee, any of their respective affiliates, owners, officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, and employees, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort, statutory or otherwise). However, the foregoing waiver will not apply to any claim (a) by any party for attorneys' fees or costs and expenses under this Agreement; (b) for any damages whatsoever, including, without limitation, consequential damages, for adverse harm to the Marks or the System; (c) indemnification and damages for any third-party claims arising under Section 16.1.3; or (d) liquidated damages under Section 14.1.4. Notwithstanding anything to the contrary in this Agreement, if any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of limited waiver by agreement of punitive, exemplary, incidental, indirect, or consequential damages will continue in full force and effect.

17.7 Waiver of Jury Trial. The parties hereto irrevocably waive trial by jury in any action, proceeding, or counterclaim in connection with any matter or dispute of any kind arising under or in any way connected with this Agreement or any right or remedy hereunder, whether at law or in equity, brought by either party hereto.

18. TIME IS OF THE ESSENCE

As to all reports and fees payable to or to be made to BidExecs and any inspections initiated by BidExecs under Section 7.4, time shall be of the essence.

19. APPROVALS, WAIVERS AND BINDING EFFECTS

19.1 Approvals. Whenever this Agreement requires BidExecs' prior approval or consent, Franchisee shall make a timely written request to BidExecs for the approval or consent, which BidExecs shall grant, if at all, only in writing.

19.2 No Warranties. BidExecs makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent or suggestion to Franchisee in connection with this Agreement or by reason of any neglect, delay or denial of any request.

BIDEXECS DISCLAIMS ALL WARRANTIES FOR THE BIDEXECS SERVICES AND PRODUCTS, EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF FITNESS FOR PARTICULAR PURPOSE, MERCHANTABILITY, AND NONINFRINGEMENT. BIDEXECS WILL NOT BE LIABLE TO FRANCHISEE RELATING TO THE RESALE OF ANY OF THE BIDEXECS SERVICES AND PRODUCTS FURNISHED, WHETHER SUCH CLAIM IS BASED ON BREACH OF WARRANTY, CONTRACT, TORT OR OTHER LEGAL THEORY AND REGARDLESS OF THE CAUSES OF SUCH LOSS OR DAMAGES OR WHETHER ANY OTHER REMEDY PROVIDED IN THIS AGREEMENT FAILS AND IN NO EVENT WILL ANY SUCH LIABILITY UNDER THIS

SECTION 19.2 EXCEED THE PURCHASE PRICE PAID FOR THE BIDEXECS SERVICES AND PRODUCTS.

19.3 Waivers. Except as set forth in this Agreement, no rights or remedies set forth in this Agreement shall exclude any other right or remedy allowed by law or in equity. No waiver by a party of any covenant or condition or breach of any covenant or condition of this Agreement shall constitute a waiver of any subsequent breach or nonobservance on any other occasion of the same or any other covenant or condition of this Agreement. Subsequent acceptance by BidExecs of payments due it shall not constitute a waiver by BidExecs of any prior breach.

19.4 Binding Effect; No Other Rights. This Agreement shall bind the parties and their respective executors, administrators, successors and assigns. Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisee, BidExecs, and such of the parties' respective successors and assigns as may be contemplated (and, as to Franchisee, permitted) by Section 12.3 above, any rights or remedies under or by reason of this Agreement.

20. NOTICES

20.1 Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by registered mail, a recognized overnight delivery service (e.g., UPS, FedEx, etc.), or by other means which affords the sender evidence of delivery, or of rejected delivery, to the respective parties at the addresses below, unless and until a different address has been designated by written notice to the other party. Any notice by a means which affords the sender evidence of delivery, or rejected delivery, shall be deemed to have been given at the date and time of receipt or rejected delivery.

BidExecs:	BidExecs Franchising, LLC 13800 Coppermine Road, Suite 100 Herndon, Virginia 20171 Attention: Reena Bhatia E-Mail: reena@bidexecs.com
Franchisee:	Franchisee's notice address set forth on Exhibit A to this Agreement.

21. FORCE MAJEURE

No failure by any party to this Agreement to take action on account of any default by any other party, or to exercise any right hereunder, whether in a single instance or repeatedly, shall constitute a waiver of any such default or right or the performance required of such other party. Except as otherwise provided in this Agreement, neither BidExecs nor Franchisee shall be liable for loss or damage or deemed to be in breach of this Agreement if the failure to perform the obligations of BidExecs or Franchisee results from: transportation shortages, inadequate supply of equipment, merchandise, 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 thereof; compliance with any law; or acts of God. Any delay resulting from any of such causes shall extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that such causes shall not excuse payments of amounts owed at the time of such occurrence or payment of fees and all other amounts due to BidExecs and its affiliates thereafter. The party whose performance is affected by any of such causes shall give prompt written notice of the circumstances of such event to the other party, but in no event more than five (5) days after the commencement of such event. The notice shall describe the nature of the event and an estimate as to its duration.

22. IMMUNITY FOR CERTAIN LIMITED DISCLOSURES

Notwithstanding anything in this Agreement to the contrary, Franchisee and its affiliates may, in accordance with any applicable law, including the federal Defend Trade Secrets Act, disclose Confidential Information, including BidExecs' trade secrets, (a) in confidence, to federal, state, or local government officials, or to an attorney of Franchisee, for the sole purpose of reporting or investigating a suspected violation of law; or (b) in a document filed in a lawsuit or other legal proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with any applicable law or create liability for disclosures expressly allowed by law.

23. ENTIRE AGREEMENT AND AMENDMENT

This Agreement and the exhibits referred to in this Agreement constitute the entire, full, and complete Agreement between BidExecs and Franchisee concerning the Agreement's subject matter, and supersede any and all prior or contemporaneous negotiations, discussions, understandings, and agreements. There are no other oral or written understandings or agreements between BidExecs and Franchisee relating to the subject matter of this Agreement. Nothing in this Franchise Agreement is intended to disclaim any representations made by BidExecs in the Franchise Disclosure Document that BidExecs furnished to Franchisee, if any. Except for those permitted to be made unilaterally by BidExecs hereunder, no amendment, change, or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. The System and the Manuals are subject to change by BidExecs at any time, at BidExecs' option.

24. SEVERABILITY; ENFORCEMENT OF COVENANTS; CONSTRUCTION

24.1 Severability. If any of the provisions of this Agreement may be construed in more than one way, one of which would render the provision illegal or otherwise voidable or unenforceable, such provision shall have the meaning which renders it valid and enforceable. The language of all provisions of this Agreement shall be construed according to its fair meaning and not strictly against any party. In the event any court or other government authority shall determine that any provision in this Agreement is not enforceable as written, the parties agree that the provision shall be amended so that it is enforceable to the fullest extent permissible under the laws and public policies of the jurisdiction in which enforcement is sought and affords the parties the same basic rights and obligations and has the same economic effect. If any provision in this Agreement is held invalid or otherwise unenforceable by any court or other government authority or in any other proceeding, such findings shall not invalidate the remainder of the agreement.

24.2 Enforceability of Covenants. Franchisee agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision of this Agreement, 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 any portion or portions which a court may hold to be unenforceable in a final decision to which BidExecs and Franchisee are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

24.3 Construction. All captions and headings in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision. Each pronoun used in this Agreement shall include the other numbers and genders, as appropriate. The words "**include**" and "**including**" will be construed to include the words "**without limitation**."

25. JOINT AND SEVERAL OBLIGATION

If Franchisee consists of more than one person or entity, each person and entity shall have joint and several liability for Franchisee's obligations under this Agreement.

26. INCORPORATION OF EXHIBITS

All exhibits referred to in this Agreement constitute an integral part of this Agreement.

27. COUNTERPARTS

This Agreement may be executed in any number of counterparts each of which when so executed will be an original, but all of which together will constitute one (1) and the same instrument.

28. SURVIVAL OF PROVISIONS

All provisions of this Agreement which, by their terms or intent, are designed to survive the expiration or termination of this Agreement, shall so survive the expiration and/or termination of this Agreement.

29. REPRESENTATIONS, WARRANTIES AND ACKNOWLEDGMENTS

29.1 Franchisee represents, warrants and acknowledges to BidExecs as follows:

29.1.1 Independent Investigation. Franchisee has conducted an independent investigation of the business contemplated by this Agreement.

29.1.2 Receipt of Documents. Franchisee acknowledges receipt of a copy of this Agreement, the exhibit(s) hereto, and agreements relating hereto, if any, with all of the blank lines therein filled in, at least seven (7) days prior to the date on which this Agreement was executed. Franchisee further acknowledges receipt of the franchise disclosure document required by the Federal Trade Commission's Franchise Rule at least fourteen (14) days prior to the date on which this Agreement was executed.

29.1.3 Modification of Offers. Franchisee understands that present and future franchisees of BidExecs may operate under different forms of agreements and, consequently, the obligations and rights of the parties to those agreements may differ materially from the obligations and rights contained in this Agreement. Franchisee also acknowledges and agrees that BidExecs may modify the offer of BidExecs franchises to other franchisees in any manner and at any time, which offers and agreements have or may have terms, conditions, and obligations that may differ from the terms, conditions, and obligations in this Agreement.

29.1.4 No Other Obligations. Each party represents and warrants to the others that his/her/its execution of this Agreement and all exhibits and addenda hereto do not violate or breach any other agreement, contract or covenant to which such party is bound, and further represents and warrants to the other parties that there are no other agreements, court orders, or any other legal obligations that would preclude or in any manner restrict such party from: (a) negotiating and entering into this Agreement; (b) exercising its rights under this Agreement; and/or (c) fulfilling its responsibilities under this Agreement.

29.1.5 Compliance with Anti-Terrorism Laws and Other Laws. Franchisee and its owners represent and warrant to BidExecs that: (a) neither Franchisee nor any of its owners have made any untrue statement of any material fact nor omitted to state any material fact in Franchisee and their franchise application and other documents and information submitted to BidExecs, or in obtaining the rights granted herein; (b) neither Franchisee nor any of its owners have any direct or indirect legal or beneficial interest in any business that may be deemed a Competitive Business, except as otherwise completely and accurately disclosed in Franchisee's franchise application materials; (c) Franchisee and its owners have a legal right to own and operate the Franchised Business, and the owner or officer that executes this Franchise Agreement on Franchisee's behalf has all legal right an authority to execute on Franchisee's behalf and to legally and contractually bind Franchisee; and (d) neither Franchisee nor its owners (i) have been designated as suspected terrorists under U.S. Executive Order 13244; (ii) is identified, either by name or an alias, pseudonym or nickname, on the lists of "**Specially Designated Nationals**" or "**Blocked Persons**" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts currently available at https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx /); (iii) have not violated and will not violate any law (in effect now or which may become effective in the future) prohibiting corrupt business practices, money laundering or the aid or support of persons who conspire to commit acts of terror against any person or government, including acts prohibited by the U.S. Patriot Act (text currently available at http://www.epic.org/privacy/terrorism/hr3162.html), U.S. Executive Order 13244 (text currently available at http://www.treas.gov/offices/enforcement/ofac/sanctions/terrorism.html), the Foreign Corrupt Practices Act, or any similar law.

30. BUSINESS JUDGMENT

Franchisee understands and agrees that BidExecs may operate and change the System in any manner that is not expressly and specifically prohibited by this Agreement. Whenever BidExecs has expressly reserved in this Agreement or is deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant Franchisee a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, BidExecs may make such decision or exercise its right and/or discretion on the basis of BidExecs' sole judgment of what is in the best interests of BidExecs, the System, and the brand overall, including BidExecs, its affiliates, and the franchise network, at the time BidExecs' decision is made or BidExecs' right or discretion is exercised, without regard to whether: (1) other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by BidExecs; (2) BidExecs' decision or the action taken promotes BidExecs' financial or other individual interest; (3) BidExecs' decision or the action it takes applies differently to Franchisee and one or more other franchisees or BidExecs company-owned or affiliate-owned operations; or (4) BidExecs' decision or the exercise of its right or discretion is adverse to Franchisee's interests. In the absence of an applicable statute, BidExecs will have no liability to Franchisee for any such decision or action. BidExecs and Franchisee intend that the exercise of BidExecs' right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, BidExecs and Franchisee agree that such covenant shall not imply any rights or obligations that are inconsistent with the express wording of the terms of this Agreement and that this Agreement grants BidExecs the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's rights and obligations hereunder.

Executed as of the day and year first set forth above.

Franchisor: BIDEXECS FRANCHISING, LLC

By: ______________________________

Its: ______________________________

Date: ______________________________

Franchisee: ____

By: ______________________________________
Its: ______________________________________
Date: _____________________________________

Exhibit A

Identification of Franchisee

1.	Name of Franchisee:	______________________________
2.	Type of Entity	______________________________
3.	Statement of Formation	______________________________
4.	Notice Address of Franchisee:	______________________________
		______________________________
		E-Mail: _________________________
5.	Date of Opening:	______________________________

Exhibit B

Authorization Agreement for Prearranged Payments
(Direct Debits)

The undersigned depositor ("Depositor") hereby authorizes BidExecs Franchising, LLC ("BidExecs") to initiate debit entries and/or credit correction entries to the Depositor's checking and/or savings account(s) indicated below and the depository ("Depository") to debit such account pursuant to BidExecs' instructions.

________________________________ Depository	__________________________ Branch
________________________________ Street Address, City, State, Zip Code	
________________________________ Bank Transit/ABA Number	__________________________ Account Number

This authority is to remain in full force and effect until Depository has received joint written notification from BidExecs and Depositor of the Depositor's termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity to act on it. Notwithstanding the foregoing, Depository shall provide BidExecs and Depositor with 30 days' prior written notice of the termination of this authority. If an erroneous debit entry is initiated to Depositor's account, Depositor shall have the right to have the amount of such entry credited to such account by Depository, if within 15 calendar days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to such entry or 45 days after posting, whichever occurs first, Depositor shall have sent to Depository a written notice identifying such entry, stating that such entry was in error and requesting Depository to credit the amount thereof to such account. These rights are in addition to any rights Depositor may have under federal and state banking laws.

____
Depositor

By: ______________________
Title: _____________________
Date: _____________________

Exhibit C

Statement of Ownership Interests

The following is a list of all of Franchisee's owners, the percentage of their ownership interest and a description of the nature of their ownership interest:

Individual/Entity Name	Percentage of Ownership/Nature of Interest*

* Must equal 100%.

Exhibit D

Guarantee, Indemnification, and Acknowledgment

As an inducement to BidExecs, LLC ("BidExecs" or "Franchisor") to execute the BidExecs Growth Services Franchise Agreement between BidExecs and _______________ ("Franchisee"), dated _________, 20__ (the "Agreement"), the undersigned jointly and severally, hereby unconditionally guarantee to BidExecs and its successors and assigns that all of Franchisee's monetary and other obligations under the Agreement will be punctually paid and performed.

Upon demand by BidExecs, the undersigned each hereby jointly and severally agree to immediately make each payment required of Franchisee under the Agreement and waive any right to require BidExecs to: (a) proceed against Franchisee for any payment required under the Agreement; (b) proceed against or exhaust any security from Franchisee; (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee; or (d) give notice of demand for payment by Franchisee. Without affecting the obligations of the undersigned under this Guarantee, BidExecs may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee, and the undersigned each hereby jointly and severally waive notice of same and agree to remain and be bound by any and all such amendments and changes to the Agreement.

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

The undersigned each hereby jointly and severally acknowledge and expressly agree to be individually bound by all of the covenants contained in Sections 8, 9, and 10 of the Agreement, and acknowledge and agree that this Guarantee does not grant the undersigned any right to use the "BidExecs" Marks or System licensed to Franchisee under the Agreement.

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

If BidExecs is required to enforce this Guarantee in a judicial or arbitration proceeding, and prevails in such proceeding, BidExecs shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrator', and expert witness fees, costs, and expenses, costs of investigation and proof of facts, court costs, other litigation expenses, travel and living expenses, and interest, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If BidExecs is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guarantee, the undersigned shall reimburse BidExecs for any of the above-listed costs and expenses BidExecs incurs.

Subject to the obligations and provisions below, each of the undersigned agrees that all actions arising under this Guarantee or the Agreement, or otherwise as a result of the relationship between BidExecs and the undersigned, shall be governed by the provisions of Section 17 of the Agreement, and must be commenced in the state or federal court of general jurisdiction in the Commonwealth of Virginia and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that BidExecs may enforce this Guarantee and any orders and awards in the courts of the state or states in which he or she is domiciled.

Unless specifically stated otherwise, the terms used in this Guarantee shall have the same meaning as in the Agreement, and shall be interpreted and construed in accordance with Section 17 of the Agreement. This Guarantee shall be interpreted and construed under the laws of the Commonwealth of Virginia. In the event of any conflict of law, the laws of the Commonwealth of Virginia shall prevail (without regard to, and without giving effect to, the application of Virginia conflict of law rules).

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee as of the date of the Agreement.

GUARANTOR(S)

(Seal) (In his/her individual capacity)	Signed:____________________ Name:____________________ Address:____________________ ____________________
(Seal) (In his/her individual capacity)	Signed:____________________ Name:____________________ Address:____________________ ____________________
(Seal) (In his/her individual capacity)	Signed:____________________ Name:____________________ Address:____________________ ____________________

Exhibit E

Non-Disclosure and Non-Competition Agreement

THIS NON-DISCLOSURE AND NON-COMPETITION AGREEMENT (“**Agreement**”) is made this ___ day of _________, 20___, by and between ___________________________ (the “Franchisee”), and ___________________________, who is an owner, manager, supervisor, member, partner, or a person in a managerial position with, Franchisee (the “Obligee”).

BACKGROUND:

A. BidExecs, as the result of the expenditure of significant time, skill, effort and money, has developed a distinctive and proprietary system (the “**BidExecs System**” or “**System**”) for establishing and operating businesses that support organizations in responding to requests for proposal and other contract opportunities by providing, among other things, the following services: consulting and/or proposal management services, proposal development and editing, graphic design, and desktop publishing and quality control services and related services and products that BidExecs designates or approves under the System and the Marks (defined below) (“**BidExecs Services and Products**”), and which feature proprietary tools to provide end-to-end services in the contracting sector (each referred to generally as a “**BidExecs Business**”);

B. BidExecs and Franchisee have executed a Franchise Agreement (“Franchise Agreement”) granting Franchisee the right to operate one (1) BidExecs Business (the “Franchised Business”) and to produce and distribute services and products approved by BidExecs and use the Marks in connection therewith under the terms and conditions of the Franchise Agreement;

C. The Member, by virtue of his or her position with Franchisee, will gain access to certain of BidExecs’ Confidential Information, as defined herein, and must therefore be bound by the same confidentiality and non-competition agreement that Franchisee is bound by.

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. Confidential Information. Obligee shall not, during the term of the Franchise Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, entity, association, or corporation any confidential information, trade secrets, knowledge, or know how concerning the methods of operation of the Franchised Business which may be communicated to Obligee or of which Obligee may be apprised by virtue of Franchisee’s operation under the terms of this Agreement. Any and all information, knowledge, know how, and techniques which BidExecs designates as confidential shall be deemed confidential for purposes of this Agreement, except information which Obligee can demonstrate came to its attention prior to disclosure thereof by BidExecs; or which, at or after the time of disclosure by BidExecs to Franchisee, had become or later becomes a part of the public domain, through publication or communication by others. Notwithstanding any other provision of this Agreement, there may be certain, limited circumstances where applicable law allows for the disclosure of certain trade secrets.

2. Covenants Not to Compete.

(a) Obligee specifically acknowledges that, pursuant to the Franchise Agreement, and by virtue of its position with Franchisee, Obligee will receive valuable specialized training and confidential information, including information regarding the operational, sales, promotional, and marketing methods and techniques of BidExecs and the System.

(b) Obligee covenants and agrees that during the term of Obligee's employment with, or ownership interest in, Franchisee, and except as otherwise approved in writing by BidExecs, Obligee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity:

(i) Divert or attempt to divert any business or customer of the Franchised Business or of any Franchised Business using the System 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 BidExecs' Marks and the System;

(ii) Own, maintain, operate, engage in, be employed by, or have any interest in any business that provides assistance in connection with identifying or responding to requests for proposal or other contract opportunities including, (i) any business that provides any of the Designated Services described on the Summary Pages or services that are competitive with or substantially similar to the Designated Services, or (ii) any company that generates more than five percent (5%) of its revenue from the sale of goods and services to governmental entities (in such case, Obligee may not have an equity interest in such company) ("**Competitive Business**"); or

(iii) Become a party to any government contract.

(c) Obligee covenants and agrees that during the Post-Term Period (defined below), except as otherwise approved in writing by BidExecs, Obligee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity, own, maintain, operate, engage in, or have any interest in any Competitive Business which is, or is intended to be, located: (a) within the Designated Marketing Area of the Franchised Business or (b) within two (2) miles of any other BidExecs Business owned and/or operated or then under construction by BidExecs or any other franchisee or licensee of BidExecs as of the time that the obligations under this Section commence.

(d) As used in this Agreement, the term "Post-Term Period" shall mean a continuous uninterrupted period of two (2) years from the date of: (a) a transfer permitted under Section 12.3 of the Franchise Agreement with respect to Obligee; and/or (b) termination of Obligee's employment with, and/or ownership interest in, Franchisee.

3. Injunctive Relief. Obligee acknowledges that any failure to comply with the requirements of this Agreement will cause BidExecs irreparable injury, and Obligee agrees to pay all court costs and reasonable attorney's fees incurred by BidExecs in obtaining specific performance of, or an injunction against violation of, the requirements of this Agreement.

4. Severability. All agreements and covenants contained herein are severable. If any of them, or any part or parts of them, shall be held invalid by any court of competent jurisdiction for any reason, then the Obligee agrees that the court shall have the authority to reform and modify that provision in order that the restriction shall be the maximum necessary to protect BidExecs' and/or Franchisee's legitimate business needs as permitted by applicable law and public policy. In so doing, the Obligee agrees that the

court shall impose the provision with retroactive effect as close as possible to the provision held to be invalid.

5. Delay. No delay or failure by BidExecs or the Franchisee to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement shall be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement.

6. Jurisdiction, Venue and Choice of Law. This agreement shall be interpreted and construed in accordance with Section 17 of the Agreement. In the event of any conflict of law, the laws of the Commonwealth of Virginia shall prevail (without regard to, and without giving effect to, the application of Virginia conflict of law rules).

7. Third-Party Beneficiary. Obligee hereby acknowledges and agrees that BidExecs is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

IN WITNESS WHEREOF, the Franchisee and the Obligee attest that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on this _____ day of ________________, 20___.

FRANCHISEE	OBLIGEE
______________________________	______________________________
By:___________________________	By:___________________________
Name:_________________________	Name:_________________________
Title:________________________	Title:________________________

<u>EXHIBIT D</u>

STATE SPECIFIC ADDENDA

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
BIDEXECS FRANCHISING, LLC

MARYLAND

1. Item 5: Item 5 is amended to state the following:

   Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by Franchisees shall be deferred until the franchisor completes its pre-opening obligations under the Franchise Agreement.

2. Item 17: The following language is added as a new sentence at the end of the Summary Section of Provision (c) of the Franchise Agreement table entitled **Requirements for you to renew or extend**:

   The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Item 17: The following language is added as a new sentence at the end of the Summary Section of Provision (m) of the Franchise Agreement table entitled **Conditions for our approval of transfer**:

   The general release that we require shall not apply to any liability we may have under the Maryland Franchise Registration and Disclosure Law.

4. Item 17: The following language is added as a new sentence at the end of the Summary Section of Provision (u) of the Franchise Agreement table entitled **Dispute resolution by arbitration or mediation**:

   The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

5. The following language is added to the Franchise Agreement table in Item 17 as a new paragraph (x) entitled **Claims Arising Under the Maryland Franchise Registration and Disclosure Law** at the end of the Summary Section:

   (x) **Claims Arising Under the Maryland Franchise Registration and Disclosure Law**. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

6. 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.

MARYLAND AMENDMENT
TO THE BIDEXECS FRANCHISING, LLC
FRANCHISE AGREEMENT BETWEEN BIDEXECS FRANCHISING, LLC AND

____
DATED _____________________, _________

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law and the Rules and Regulations promulgated thereunder, the BidExecs Franchise Agreement shall be modified as follows:

1. **Fee Deferral**. Section 3 of the Franchise Agreement is amended by the addition of a new Section 3.11 which provides as follows:

   Based upon Franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until Franchisor completes its pre-opening obligations under the Franchise Agreement.

2. **Acknowledgments.** Section 29 of the Franchise Agreement is amended by the addition of the following language as a new Section 29.1.8:

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

3. **Conditions for Approval of Transfer.** Section 12.4.2 of the Franchise Agreement is amended by the addition of the following language at the end thereof:

   This general release shall not apply to any liability BidExecs may have under the Maryland Franchise Registration and Disclosure Law.

4. **Renewal.** Section 2.2.5 of the Franchise Agreement is amended by the addition of the following language at the end thereof:

   This general release shall not apply to any liability BidExecs may have under the Maryland Franchise Registration and Disclosure Law.

5. **Governing Law/Venue**. Section 17.2 of the Franchise Agreement is amended by the addition of the following language at the end thereof:

   Subject to Franchisee's arbitration obligation, nothing in this Section affects Franchisee's right under the Maryland Franchise Registration and Disclosure Law to sue in Maryland for claims arising under that law.

6. **Arbitration.** Section 17.3 of the Franchise Agreement is amended by the addition of the following language at the end thereof:

   This Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

7. **Limitations of Claims.** Section 17.5 of the Franchise Agreement is amended by the addition of the following language at the end thereof:

Notwithstanding the foregoing, such limitation of claims shall not act to reduce the 3 year statute of limitations afforded Franchisee to bring a claim under the Maryland Franchise Registration and Disclosure Law.

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise

IN WITNESS, WHEREOF the parties hereto have executed and delivered this Amendment effective as of the day and year first above written.

Franchisor: BIDEXECS FRANCHISING, LLC

By: ______________________________________
Its: ______________________________________
Date: _____________________________________

Franchisee: ____

By: ______________________________________
Its: ______________________________________
Date: _____________________________________

MARYLAND AMENDMENT
TO THE BIDEXECS FRANCHISING, LLC
FRANCHISEE DISCLOSURE QUESTIONNAIRE
DATED ______________________, __________

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law and the Rules and Regulations promulgated thereunder, the BidExecs Franchisee Disclosure Questionnaire shall be modified as follows:

1. The acknowledgments within the Franchisee Disclosure Questionnaire are amended by the addition of the following language:

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

2. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise

IN WITNESS, WHEREOF the parties hereto have executed and delivered this Amendment effective as of the day and year first above written.

Franchisor: BIDEXECS FRANCHISING, LLC

By: ______________________________________
Its: ______________________________________
Date: ____________________________________

Franchisee: ______________________________________

By: ______________________________________
Its: ______________________________________
Date: ____________________________________

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
BIDEXECS FRANCHISING, LLC

VIRGINIA

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for BidExecs Franchising, 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 grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause" as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

   Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

2. **Estimated Initial Investment.** The franchisee will be required to make an estimated initial investment ranging from $57,750 to $86,250. This amount exceeds the franchisor's member's equity as of December 31, 2023, which is -$86,334.

3. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

4. 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.

VIRGINIA AMENDMENT
TO THE BIDEXECS FRANCHISING, LLC
FRANCHISE AGREEMENT BETWEEN BIDEXECS FRANCHISING, LLC AND
____
DATED ______________________, __________

In recognition of the requirements of the Virginia Retail Franchising Act and the Rules and Regulations promulgated thereunder, the BidExecs Franchise Agreement shall be modified as follows:

1. **Fee Deferral**. Section 3 of the Franchise Agreement is amended by the addition of a new Section 3.11 which provides as follows:

   The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires Franchisor to defer payment of the initial franchise fee and other initial payments owed by franchisees to Franchisor until Franchisor has completed its pre-opening obligations under the Franchise Agreement.

2. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS, WHEREOF the parties hereto have executed and delivered this Amendment effective as of the day and year first above written.

Franchisor: BIDEXECS FRANCHISING, LLC

By: ______________________________________
Its: ______________________________________
Date: _____________________________________

Franchisee: ____

By: ______________________________________
Its: ______________________________________
Date: _____________________________________

EXHIBIT E

LISTS OF CURRENT AND FORMER FRANCHISEES

LIST OF CURRENT FRANCHISEES
AS OF DECEMBER 31, 2022

Franchisee	Address	City	State	Zip	Phone
BRJ Inc. Becky Moores Rick Mischaka Jeff Chao	#1013 5150 W 120th Ave. Suite 100	Westminster	Colorado	80020	(310) 613-8049
Barbara Dashiell	713 Pacific Avenue	Boyce	Louisiana	71409	(318) 613-1785
Archie Smith	6500 Greenville Ave	Dallas	Texas	75206	(254) 317-1007
Ameka Ali	1923 Washington Avenue,	Houston	Texas	77007	(832) 736-2779
Ashley Knight Lila Holley	2904 East Stan Schlueter Loop	Killeen	Texas	76542	(512) 710-7594
Corey Kauffman	621 Power Street	League City	Texas	77573	(346) 857-5319

FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED
AS OF DECEMBER 31, 2022

None

LIST OF FORMER FRANCHISEES
AS OF DECEMBER 31, 2022

None

TRANSFERS
AS OF DECEMBER 31, 2022

None

EXHIBIT F

FORM OF GENERAL RELEASE

The Franchisee, on behalf of itself and its subsidiaries, affiliates, heirs, successors and assigns, hereby releases and discharges any and all liabilities, obligations or claims, whether known or unknown, including without limitation, any claimed violation or breach of the Franchise Agreement or Federal or state laws, including franchise investment laws, against BidExecs Franchising, LLC ("**BidExecs**"), including its current and former parents, officers, directors, limited liability company managers, employees, subsidiaries and affiliates, and any and all of its respective past and present representatives. The Franchisee realizes the facts as presently known or understood to exist with respect to any known or unknown claims it may have against BidExecs may, in fact, be either incorrect or incomplete, or both. Notwithstanding such possibility, the Franchisee freely enters into this Agreement and assumes all risks of any such possibility and waives any rights whatsoever to challenge the validity and finality of this Agreement even if the present knowledge and understanding of the facts on the part of the Franchisee is in any way incorrect.

IN WITNESS, WHEREOF the parties hereto have executed and delivered this General Release effective as of the day and year first above written.

Franchisor: BIDEXECS FRANCHISING, LLC

By: ___________________________________
Its: ___________________________________
Date: _________________________________

Franchisee: ___________________________________

By: ___________________________________
Its: ___________________________________
Date: _________________________________

EXHIBIT G

FRANCHISEE DISCLOSURE QUESTIONNAIRE

BidExecs Franchising, LLC ("Franchisor") and you are preparing to enter into a franchise agreement ("Franchise Agreement") for the establishment and operation of a Franchised Business. The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor, or by employees or authorized representatives of a broker acting for the Franchisor ("Broker") that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate, or misleading. The Franchisor, through the use of this Questionnaire, desires to conduct factfinding about the franchise sales process. If you are intending to purchase an existing Franchised Business from an existing Franchisee, you may have received information from the transferring Franchisee, who are not employees or representatives of the Franchisor. The questions below do not apply to any communications that you had with the transferring Franchisee.

Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. I had my first face-to-face meeting with a Franchisor representative on the following date: ______________________.

2. Did you sign a receipt for Franchisor's Disclosure Document indicating the date you received it?

Yes _____ No _____

3. I received the Franchisor's Disclosure Document on the following date: ______________________.

4. Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who? ____
____

5. Are you seeking to enter into the Franchise Agreement along with a purchase or transfer of an existing Franchised Business from an existing Franchisee?

Yes _____ No _____

If Yes, which existing Franchisee? ____
____

6. I signed the Franchise Agreement and Addendum (if any) on _______________, 20___, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor.

7. Has any employee of the Franchisor, a Broker, or other person speaking for the Franchisor made any statement or promise regarding the amount of money you may earn in operating a Franchised Business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

8. Has any employee of the Franchisor, a Broker, or other person speaking for the Franchisor made any statement or promise concerning the total amount of revenue your Franchised Business will generate, that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

9. Has any employee of the Franchisor, a Broker, or other person speaking for the Franchisor made any statement or promise regarding the costs you may incur in operating your Franchised Business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

10. Has any employee of the Franchisor, a Broker, or other person speaking for the Franchisor 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 _____

11. Has any employee of the Franchisor, a Broker, or other person speaking for the Franchisor made any statement, promise, or agreement concerning the advertising, marketing, training, support service, or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document or Franchise Agreement?

Yes _____ No _____

12. Have you entered into any binding agreement with the Franchisor or any of Franchisor's affiliates concerning the purchase of this franchise before today?

Yes _____ No _____

13. Have you paid any money to the Franchisor or any of Franchisor's affiliates concerning the purchase of this franchise before today?

Yes _____ No _____

If you have answered Yes to any one of questions 7-13, please provide a full explanation of each answer in the following blank lines. (Attach additional pages, if needed, and refer to them below.) If you have answered No to each of questions 7-13, please leave the following lines blank.

____
____
____
____

DO NOT COMPLETE THE FOLLOWING QUESTIONS AND ACKNOWLEDGEMENTS 14-26 IF YOU ARE LOCATED, OR YOUR FRANCHISED BUSINESS WILL BE LOCATED, IN: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

14. Have you received and personally reviewed the Franchisor's Disclosure Document that was provided to you?

Yes _____ No _____

15. Do you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document?

Yes _____ No _____

If No, what parts of the Disclosure Document and/or Addendum do you not understand? (Attach additional pages, if needed.)

____
____
____
____

16. Have you received and personally reviewed the Franchise Agreement, each Addendum, and/or related agreement provided to you?

Yes _____ No _____

17. Do you understand all of the information contained in the Franchise Agreement, each Addendum, and/or related agreement provided to you?

Yes _____ No _____

If no, what parts of the Franchise Agreement, any Addendum, and/or related agreement do you not understand? (Attach additional pages, if needed.)

____
____
____
____

18. Have you discussed the benefits and risks of establishing and operating a 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 _____

20. Do you understand that the success or failure of your Franchised Business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors?

Yes _____ No _____

If No, please provide a full explanation of each answer in the following blank lines. (Attach additional pages, if needed, and refer to them below.) If you have answered Yes, please leave the following lines blank.

____
____

21. Do you understand that, per the Disclosure Document and your Franchise Agreement, it is your responsibility to review and understand the licensing requirements in your state?

Yes _____ No _____

If No, please provide a full explanation of each answer in the following blank lines. (Attach additional pages, if needed, and refer to them below.) If you have answered Yes, please leave the following lines blank.

____
____

22. Have you independently investigated your state's licensing requirements and the likely time and cost needed to comply with them?

Yes _____ No _____

If No, please provide a full explanation of each answer in the following blank lines. (Attach additional pages, if needed, and refer to them below.) If you have answered Yes, please leave the following lines blank.

____
____

23. Do you understand that the Franchisor may modify the franchise program throughout the term of your agreements?

Yes _____ No _____

24. Do you understand that BidExecs Area Representatives do not have the authority to enter into any Franchise Agreement or other agreement on our behalf or to negotiate on our behalf with you?

Yes _____ No _____

25. You recognize, acknowledge, and understand that business risks, which exist along with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates,

the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace. You acknowledge your awareness of and willingness to undertake these business risks.

26. You agree, acknowledge, and state that the decision to enter into this business is in no manner predicated upon any oral representation, assurances, warranties, guarantees, or promises made by Franchisor or any of its officers, employees, or agents (including the Broker or any other broker) as to the likelihood of success of the franchise. Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees, or agents (including the Broker or any other broker) concerning actual, projected, or forecasted franchise sales, profits, or earnings. If you believe that you have received any information concerning actual, average, projected, or forecasted franchise sales, profits, or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None."

____
____
____
____

By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

Acknowledged this _____ day of ________________, 20____.

Sign here if you are acquiring the franchise as an

INDIVIDUAL

____
Signature

Print Name: _____________________________

____
Signature

Print Name: _____________________________

____
Signature

Print Name: _____________________________

____
Signature

Print Name: _____________________________

Sign here if you are acquiring the franchise as a

CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

____
Print Name of Legal Entity

By: ____________________________________
Signature

Print Name: _____________________________

Title: __________________________________

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Not Registered
Hawaii	Not Registered
Illinois	Not Registered
Indiana	Not Registered
Maryland	Not Registered
Michigan	July 18, 2023
Minnesota	Not Registered
New York	Not Registered
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	Pending
Washington	Not Registered
Wisconsin	Not Registered

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

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 BidExecs Franchising, LLC ("**BidExecs**") offers you a franchise, BidExecs must provide this Disclosure Document to you at least 14 calendar days (or sooner, if required by applicable state law) before you sign a binding agreement with, or make a payment to, BidExecs, or any affiliate of BidExecs in connection with the proposed franchise sale.

New York and Iowa require that BidExecs give you this Disclosure Document at the earlier of the first personal meeting or 10 business days (14 calendar days for Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that BidExecs give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If BidExecs 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 applicable state agency listed on Exhibit A to this Disclosure Document.

Only the following individuals have the authority to offer and sell Franchised Businesses:

- Reena Bhatia, at 13800 Coppermine Road, Suite 100, Herndon, Virginia 20171, (703) 249-9353
- Edward James, at 13800 Coppermine Road, Suite 100, Herndon, Virginia 20171, (703) 249-9353

We have authorized the persons listed on Exhibit A to this Franchise Disclosure Document to receive service of process for us in the listed states.

Issuance Date: September 22, 2023

I have received this Disclosure Document dated September 22, 2023. Please refer to the State Cover Page for the effective date of this Disclosure Statement in your state. This Disclosure Document included the following exhibits:

A	State Administrators and Agents for Service of Process	E.	Lists of Current and Former Franchisees
B	Financial Statements	F	Form of General Release
C	Franchise Agreement	G	Franchisee Disclosure Questionnaire
D	State Specific Addenda		

________________ ____

Date of Receipt Signature of Prospective Franchisee

By ____

Print Name

Copy for Franchisee

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 BidExecs Franchising, LLC ("**BidExecs**") offers you a franchise, BidExecs must provide this Disclosure Document to you at least 14 calendar days (or sooner, if required by applicable state law) before you sign a binding agreement with, or make a payment to, BidExecs, or any affiliate of BidExecs in connection with the proposed franchise sale.

New York and Iowa require that BidExecs give you this Disclosure Document at the earlier of the first personal meeting or 10 business days (14 calendar days for Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that BidExecs give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If BidExecs 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 applicable state agency listed on Exhibit A to this Disclosure Document.

Only the following individuals have the authority to offer and sell Franchised Businesses:

- Reena Bhatia, at 13800 Coppermine Road, Suite 100, Herndon, Virginia 20171, (703) 249-9353
- Edward James, at 13800 Coppermine Road, Suite 100, Herndon, Virginia 20171, (703) 249-9353

We have authorized the persons listed on Exhibit A to this Franchise Disclosure Document to receive service of process for us in the listed states.

Issuance Date: September 22, 2023

I have received this Disclosure Document dated September 22, 2023. Please refer to the State Cover Page for the effective date of this Disclosure Statement in your state. This Disclosure Document included the following exhibits:

A	State Administrators and Agents for Service of Process	E.	Lists of Current and Former Franchisees
B	Financial Statements	F	Form of General Release
C	Franchise Agreement	G	Franchisee Disclosure Questionnaire
D	State Specific Addenda		

________________ ____

Date of Receipt Signature of Prospective Franchisee

By ______________________________________

Print Name

Copy for BidExecs Franchising, LLC

Please sign and date both copies of this receipt, keep one copy (the previous page) for your records, and mail one copy (this page) to the address listed on the front page of this Disclosure Document or send it to us by email to reena@bidexecs.com.