FRANCHISE DISCLOSURE DOCUMENT

CCS CLEANS
CONSOLIDATED CLEANING SYSTEMS

Department of
Business Oversight

FEB 16 2017

Sacramento Office

CCS Franchising, LLC
A Nevada Limited Liability Company
1468 James Rd, Gardnerville, Nevada 89640
(858) 263-2999
greg@ccscleans net
www ccscleansup com

The franchise offered is a business that provides Commercial Cleaning services through a territory-based service model Franchisees will typically offer these services from a home based location, with mainly electronic, paperless transactions

The total investment necessary to begin operations of a CCS Cleans is $55,375 - $109,450 This includes the $25,000 franchise fee that must be paid to the franchisor or affiliate

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

You may wish to receive your Disclosure Document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact us at 888 Prospect St , Ste 200, La Jolla, CA 92037, 858-263-2999

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

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

Issuance Date 2/15/2017

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state

REGISTRATION OF A FRANCHISE BY A STATE DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE DEPARTMENT OF LAW OR THAT IT HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

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

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

Please consider the following RISK FACTORS before you buy this franchise

THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN NEVADA OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN NEVADA THAN IN YOUR OWN STATE

THE FRANCHISE AGREEMENT STATES THAT NEVADA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

THE FRANCHISE AGREEMENT CONTAINS PROVISIONS THAT LIMIT FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN NEVADA INCLUDING BUT NOT LIMITED TO A TIME LIMIT TO RAISE CLAIMS AGAINST THE FRANCHISOR, LIMITATION OF DAMAGES AND WAIVER OF JURY TRIAL

THIS NEW FRANCHISOR HAS BEEN IN BUSINESS FOR SUCH A SHORT PERIOD OF TIME THAT ITS FRANCHISEES ARE A HIGHER RISTK INVESTMENT THAN FRANCHISORS WITH A LONGER-TERM OPERATING HISTORY

WE DO NOT HAVE A FEDERAL REGISTRATION FOR OUR PRINCIPAL TRADEMARK THEREFORE, OUR TRADEMARK DOES NOT HAVE AS MANY LEGAL BENEFITS AND RIGHTS AS A FEDERALLY REGISTERED TRADEMARK IF OUR RIGHTS TO USE THE TRADEMARK ARE CHALLENGED, YOU MAY HAVE TO CHANGE TO AN ALTERNATIVE TRADEMARK WHICH MAY INCREASE YOUR EXPENSES

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

The following chart lists states that require this disclosure document be registered or filed with the state or be exempt from registration In these states, the effective date of this disclosure document is as follows

State	Effective Date
California	12/28/16
Hawaii	
Illinois	
Indiana	
Maryland	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

In Michigan, a Notice of Franchise Offering must be filed Our effective date in Michigan is as follows

State	Effective Date
Michigan	

The following chart lists states that require a notice of exemption from the registration or filing requirements of the state's business opportunity laws with respect to the offering described in this disclosure document In these states, the effective date of our notice of exemption is as follows

State	Effective Date
Connecticut	
Florida	
Kentucky	
Nebraska	
Texas	
Utah	

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EXHIBITS

A FRANCHISE AGREEMENT
B LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS
C FINANCIAL STATEMENTS
D LIST OF CURRENT AND TERMINATED FRANCHISES
E FRANCHISEE DISCLOSURE QUESTIONNAIRE
F MULTI-STATE ADDENDA
Receipt (2 copies)

ITEM 1. THE FRANCHISOR, AND ANY PARENTS, PREDECESORS AND AFFILIATES

To simplify the language in this Disclosure Document, the words "we," "our," "us" and "CCS Cleans" refer to CCS Franchising, LLC, the franchisor of this business "You" and "your" refer to the person who buys the franchise, whether you are a corporation, Limited Liability Company or other business entity If you are a corporation, Limited Liability Company or other business entity, certain provisions of this Disclosure Document also apply to your owners and will be noted

The Franchisor

We are a Nevada limited liability company formed on July 1, 2015 to offer CCS Cleans franchises Our principal business address is 1468 James Rd, Gardnerville, NV 89460 We use the trade names "CCS Cleans" and "Consolidated Cleaning Services We have offered franchises since the effective February 2016 We have neither engaged in any other line of business nor offered franchises in any other line of business Our agent for service of process in California is Mr Greg Augustyn who can be reached at the principle business address of 888 Prospect St , Ste 200, La Jolla, CA 92037 Our agents for service of process in other states are disclosed in Exhibit B

As of December 31, 2016, there was 1 CCS Cleans in operation Our Affiliate Consolidated Cleaning Systems, LLC operates that location, which has been open since July 12, 2013

Our Parents, Predecessors and Affiliates

We do not have any parent companies or predecessors Our Affiliate is Consolidated Cleaning Systems, LLC of 1468 James Rd, Gardnerville, NV 89460 that operates a business similar to the type of business being franchised The Affiliate has been in operation since 2013

General Description of the Market and Competition

The franchised business is providing commercial cleaning and maintenance services for commercial clients in a wide variety of industries and fields The market for commercial cleaning services continues to develop to meet the year round cleaning needs of the commercial clients

Regulations Specific to the Industry

Operation of a CCS Cleans will require you to be aware of federal, state and local laws and regulations, specifically including minimum wage and wage requirements You should consult with your own advisors and the government agencies for information on how these laws apply to you Local law requirements vary by location

ITEM 2. BUSINESS EXPERIENCE

Greg Augustyn
Managing Member, CCS Franchising, LLC (2013 - Present), San Diego, CA
Managing Member, Consolidated Cleaning Systems, LLC - (2013 - Present), San Diego, CA
Managing Member, Anago (2011 – 2013), San Diego, CA
Managing Member, Forte (2009-2011), San Diego, CA

ITEM 3. LITIGATION

No litigation information is required to be disclosed in this ITEM

ITEM 4. BANKRUPTCY

No bankruptcy information is required to be disclosed in this ITEM

ITEM 5. INITIAL FEES

You pay us a $25,000 lump sum franchise fee You pay us a $22,500 lump sum franchise fee when you sign the Franchise Agreement for a second and subsequent franchise Otherwise, the franchise fee is uniform Payment of all initial fees is postponed until after all of franchisor's initial obligations are complete and franchisee is open for business

ITEM 6. OTHER FEES

OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee[1]	8% of gross revenue	Payable monthly	You must pay your royalty fee directly to us from Gross Revenue generated through your business See definition of "Gross Revenue" [1]
Audit Expenses[2]	All costs and expenses associated with audit	Upon demand	Audit costs payable to us only if the audit shows you have not spent 4% of gross revenue per month on local advertising or if you underreported amounts you owe us by 2% or more
Late Fees[3]	1 5% per month or the highest rate allowed by the state where you are located (whichever is lower)	Upon demand	Applies to all overdue fees you owe us Also applies to any understatement in amounts due revealed by an audit
Approval of Products or Suppliers[4]	$500 to $1,000	Time of evaluation	Applies to the costs we expend in our evaluation of new suppliers you wish to purchase from or products you wish to purchase
Marketing Fund Contribution[5]	Currently, 2% of Gross Revenue	Payable monthly	You pay your marketing fund contribution to us We will give you 30 days' notice before increasing required contributions

Insurance Policies	Approximately $400-$1200	Annually	Payable to us as a reimbursement only if you fail to maintain required insurance coverage and we elect, in our discretion, to obtain coverage for you
Transfer Fee	$10,000	At the time of transfer	Payable to us at time of transfer Does not apply to an assignment under Section 18 3 of the Franchise Agreement
Additional Operations Assistance [6]	$1,000 per day, our expenses are included	Time of assistance	We provide assistance at and near the beginning of your operations and during the term of the franchise If you request additional assistance beyond what we already provide, you may be charged a fee, plus our expenses if we need to travel to accommodate your request
Cost of Enforcement	All costs including reasonable attorneys' fees	Upon demand	You must reimburse us for all costs incurred in enforcing your obligations to us if we prevail
Temporary Management Assistance	$1000 per day, our expenses are included	30 days after Time of Assistance	You pay us at the state rate if you breach the Franchise Agreement or following the death or incapacity of an owner of the franchise, and if we decide to temporarily manage your franchised business

All of the fees noted above are uniform No other fees or payments are to be paid to us or our affiliate nor do we impose or collect any other fees or payments for any other third party All fees are generally non-refundable

NOTES

[1] "Gross revenue" means all revenue from the franchised business

[2] We assume costs vary depending on factors, including prevailing auditor's rates in your area, the business activity being audited and how well you keep your books and records You pay our actual costs only You should be able to investigate these costs by contacting auditors in your area

[3] Late fees begin from the date payment was due, but not received, or date of underpayment

[4] Costs vary depending on the availability of product samples for testing, shipping costs or travel costs to review the product, the type of product under review, whether the product or supplier has been rated and other similar factors You pay our actual costs only

[5] The Marketing Fund contribution will be spent for the benefit of the entire brand and franchise network

[6] We provide training programs to an individual you select to be the designated manager of the franchise as part of your Franchise Fee Your designated manager's attendance is required We do not charge additional or future fees for the use of these programs, but if your manager changes are excessive or due to poor hiring practices, we may charge you a fee

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Franchise Fee[1]	$25,000	Cashier's Check	At Signing of Franchise Agreement	Us
Real Estate / Rent[2]	$0 - $1,500	As Arranged	Before Beginning Operations	Lessor
Utilities[3]	$0 - $250	As Arranged	Before Beginning Business	Utilities Company
Leasehold Improvements[4]	$0 - $3,000	As Arranged	Before Beginning Operations	Contractor, Service Provider
Furniture, Fixtures and Equipment[5]	$10,000 - $20,000	As Arranged	Before Beginning Operations	Equipment Vendors
Vehicle[6]	$250 - $10,000	As Arranged	Before Beginning Operations	Vehicle Supplier or Dealer
Insurance[7]	$300-$2,500	As Arranged	Before Beginning Operations	Insurance Company
Signage[8]	$300 - $5,000	As Arranged	Before Beginning Operations	Sign Provider
Office Expenses[9]	$1,000-$2,000	As Arranged	Before Beginning Operations	Suppliers
Training, Cost of Travel[10]	$3,000 - $6,000	As Arranged	Before Beginning Operations	Airlines, Travel and Food
Inventory[11]	$1,000 - $2,500	As Arranged	Before Beginning Operations	Supply Companies and Cleaning Supply Vendors
Dues and Subscriptions[12]	$0 - $500	As Arranged	Before Beginning Operations	Associations and Networking Groups

Computer and Technology[13]	$500 - $2,000	As Arranged	Before Beginning Operations	Approved Vendors
Licenses & Permits[14]	$25 - $200	As Arranged	Before Beginning Operations	Licensing Authorities
Market Introduction Program[15]	$3,000 - $6,000	As Arranged	As needed	Vendors
Legal & Accounting[16]	$1,000 - $3,000	As Arranged	Before Beginning Operations	Attorney, Accountant
Additional Funds (3 months working capital)[17]	$10,000-$20,000	As Arranged	As Necessary	Us Employees, & Suppliers
TOTAL	$55,375- $109,450			

[1] Franchise Fee The franchise fee and its refund policy are described in greater detail in ITEM 5 We do not finance any fee

[2] Real Estate/Rent The franchised business will typically be operated from a home office location and will not require any rent or real estate expenses

[3] Utilities The franchised business will typically be operated from a home office, but you may need to initiate basic utilities in order to open your home office location This cost is typically non-refundable

[4] Leasehold Improvements If you need to have basic contracting work or changes to your workspace made, these costs would be associated with that process If you have a suitable home office location, you would not have these expenses These costs are typically non-refundable

[5] Furniture, Fixtures and Equipment As part of operating the franchised business, you will need to invest in certain equipment, supplies and fixtures needed to perform the various cleaning and maintenance services we provide commercial clients These costs are paid to third party suppliers and you should speak with the suppliers as to whether any of them are refundable after purchase

[6] Vehicle You will be required to have a suitable vehicle for the operation of the franchised business This vehicle will be as described in the confidential operations manual and will be able to carry the equipment to and from jobs and client sites You should inquire with the suppliers as to whether these expenses are refundable

[7] Insurance You must purchase the following types and amounts of insurance (1) "all risk" property insurance coverage for assets of the franchised business, (2) workers' compensation insurance and employer liability coverage with a minimum limit of $100,000 or higher if your state law requires, (3) comprehensive general liability insurance with a minimum liability coverage of$2,000,000 per

occurrence, or higher if your state law requires, (4) business interruption insurance, (5) A surety bond in the amount of $50,000 to protect against a law suit from one of your employees, and (6) automobile liability insurance for owned or hired vehicles, with a combined single limit of at least $1,000,000 00 or, if higher, the statutory minimum limit required by state law Factors that may affect your cost of insurance include the size and location of the franchised business, value of the leasehold improvements, equipment, supplies, vehicle model and make, number of employees and other factors The amounts you pay for insurance are typically non-refundable You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time of purchase

[8] Signage You will need signage primarily on your vehicle We require that you have your operating vehicle wrapped to match our brand specifications as described in the confidential operations manual These expenses are typically non-refundable

[9] Office Expenses You must purchase general office supplies including stationery, business cards and typical office equipment Some of the supplies that you will need to operate the franchised business will include basic office supplies and equipment needed for the operation of the franchised business Factors that may affect your cost of office equipment and supplies include local market conditions, competition among suppliers and other factors We do not know if the amounts you pay for office equipment and supplies are refundable Factors determining whether office equipment and supplies are refundable typically include the condition of the items at time of return, level of use and length of time of possession You should inquire about the return and refund policy of the supplier at or before the time of purchase The purchase of party supplies and items will not be refundable

[10] Training, Cost of Travel The cost of training is included in your Franchise Fee, but you must pay for travel, food and lodging to attend training at corporate You should inquire with the travel providers as to what the refund policy is on these costs

[11] Inventory You must invest in certain inventory and supplies needed to provide the cleaning and maintenance services you will do as part of the franchised business These expenses typically are non-refundable

[12] Dues and Subscriptions You will be required to join certain associations, networking groups and other industry related networks in your market that will help you gain credibility and establish referral partners in your market These fees are typically non-refundable

[13] Computer Equipment & Software You must purchase the computer hardware and software that is specified in ITEM 11 You must have an automatic backup service for your computer equipment and software You are required to use our POS system as described in the Confidential Operations Manual The amounts you pay for computer equipment and software are typically non-refundable, or if refundable, you may be subject to a "re-stocking" fee You should inquire about the return and refund policy of the supplier at or before the time of purchasing Typically the amounts you pay for an automatic backup service are non-refundable You should inquire about the refund policy of the supplier at or before the time of purchasing

[14] Licenses & Permits State and local government agencies typically charge fees for operating licenses Your actual costs may vary from the estimates based on the requirements of state and local government agencies These fees are typically non-refundable You should inquire about the cancellation and refund policy of the agencies at or before the time of payment

[15] Market Introduction Program You will need to invest in marketing materials, items, brochures and other materials to be used in marketing the franchised business and place advertisements in your market to generate awareness and potential business These will be purchased from local suppliers and print companies in your market Typically, these costs are non-refundable

[16] Legal & Accounting You will need to employ an attorney, an accountant and other consultants to assist you in establishing your franchised business These fees may vary from location to location depending on the prevailing rates of local attorneys, accountants and consultants These fees are typically non-refundable You should inquire about the refund policy of the attorney, accountant or consultant at or before the time of hiring

[17] Additional Funds We recommend that you have a minimum amount of money available to cover operating expenses, including rent (if applicable), utilities, and employees' salaries for the first 3 months that the franchised business is open This range of additional funds assumes that you will have this capital in reserve needed to cover the expenses associated with your initial costs of running the business such as staffing, supplies and paying your staffed employees We cannot guarantee that our recommendation will be sufficient Additional working capital may be required if sales are low or operating costs are high These expenses are typically non-refundable

We do not offer direct or indirect financing to you for any items

ITEM 8. RESTRICTIONS ON SOURCES OF SERVICES AND PRODUCTS

Direct Purchases

You are not required to purchase or lease anything directly from our Affiliate or us

Approved Suppliers

We will not provide a general list of Approved Suppliers but will work with you to find satisfactory suppliers in your Territory

Our Specifications

You must remodel, furnish and equip the Unit according to our standards and specifications Many of the products, supplies and services needed in connection with establishing your Unit must meet our specifications for appearance, quality, performance and functionality, among other things Additionally, some of the products, supplies and services needed in connection with the ongoing operation of your Unit, such as advertising materials, computer hardware and software, stationery, equipment, and business insurance, for example, must meet our specifications for appearance, quality, performance or functionality, among other things We list the specifications for these items and services in the current Operations Manual or in other written or electronic communications provided to you We estimate that 30-50% of your purchases made in establishing the Unit will be made according to our specifications We estimate that 30-50% of your purchases made in operating the Unit will be made according to our specifications

Neither our Affiliate nor we will derive any revenue or other material consideration from any required purchases or leases by you

Miscellaneous

There are no purchasing or distribution cooperatives We do not negotiate purchase agreements with suppliers on your behalf We do not provide material benefits to you based on the purchase of particular products or services or use of particular suppliers

ITEM 9. FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements It will help you find more detailed information about your obligations in these agreements and in other ITEMS of this Disclosure Document

Obligation		Section in the Franchise Agreement	Disclosure Document ITEM
a	Site selection and acquisition/lease	Section 5	ITEMS 11 and 12
b	Pre-opening purchases/leases	Sections 5, and 13	ITEMS 7 and 8
c	Site development and other pre-opening requirements	Sections 5 and 8	ITEMS 7, 8 and 11
d	Initial and ongoing training	Section 8	ITEMS 6, 7 and 11
e	Opening	Sections 5 and 8	ITEM 11
f	Fees	Sections 3, 5, 8,and 11 and 22	ITEMS 5, 6 and 7
g	Compliance with standards and policies/Operating Manual	Sections 6, 7, 9 and 13	ITEMS 8, 14 and 16
h	Trademarks and proprietary information	Sections 6, 7 and 9	ITEMS 13 and 14
i	Restrictions on products/services offered	Section 13	ITEMS 8 and 16
j	Warranty and customer service requirements	Section 13	ITEM 16
k	Territorial development and sales quotas	Not Applicable	ITEM 12
l	Ongoing product/service purchases	Section 13	ITEMS 8 and 11
m	Maintenance, appearance and remodeling requirements	Section 5	ITEM 6
n	Insurance	Section 14	ITEMS 6, 7 and 8
o	Advertising	Section 11	ITEMS 6,7 and 11
p	Indemnification	Section 20	Not Applicable
q	Owner's participation/management/ staffing	Section 13	ITEM 15
r	Records and reports	Section 12	ITEM 11
s	Inspections and audits	Sections 6 and 12	ITEMS 6, 11 and 13
t	Transfer	Section 17	ITEMS 6 and 17
u	Renewal	Section 4	ITEM 17

v	Post-termination obligations	Section 16	ITEM 17
w	Non-competition covenants	Sections 7 and 16	ITEM 17
x	Dispute resolution	Section 22	ITEM 17
y	Other	Not Applicable	Not Applicable

ITEM 10. FINANCING

We do not offer direct or indirect financing We do not guarantee your lease or other obligations

ITEM 11. FRANCHSOR'S ASSISTANCE ADVERTISING COMPUTER SYSTEMS AND TRAINING

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

Initial Obligations of Franchisor

We will assist you in selecting a location for your Unit by approving your site selection based on the condition of the premises, demographics of the surrounding area, proximity to other franchisees and affiliates, proximity to Competitive Businesses, or the size of the location and lease requirements (§5 1) We will designate a geographic area your site selection will fall within, if you have not already received approval for your location when you sign the Franchise Agreement. (§2 3) We will approve or disapprove of your site selection within 30 days of receiving a proposed location (§5 1) We will review and approve the lease contract for your site (§5 3) If you fail to receive approval for your site within six months of signing the Franchise Agreement, we will have the right to terminate that Agreement (§5 2)

We will provide you with specifications for the development of the Approved Location (§5 4) We will provide you with written specifications for the equipment, signs, fixtures, opening inventory and supplies you are required to purchase (§13 1) We will provide training for your Designated manager and up to 2 assistants (§8 1) We will provide general opening assistance (§8 2) We will provide you with a copy of our Operations Manual (§9 1)

Development Timetable

We estimate that the typical length of time between the signing of the Franchise Agreement and the opening of the franchise location is 2 months Factors that may affect Franchisee's beginning operations include ability to obtain a lease, financing or building permits, zoning and local ordinances, weather conditions, shortages, or delayed installation of equipment, fixtures, and signs (§§5 2, 5 5 and 5 7)

Ongoing Obligations of Franchisor

We will provide training for newly named Designated Managers (§8 4) We will provide additional training to the Designated Manager if necessary (§8 5) We will provide you with developments to the System by providing updated copies of the Operations Manual or other written documents (§7 2) We will be available to render advice, discuss problems and offer general guidance to you by telephone, e-mail, facsimile, newsletters and other methods with respect to general operating problems (§8 6)

We will provide you with modifications to the Operations Manual as they are made available to franchisees (§9 2) We will also make periodic visits to the Approved Location to provide you with

consultation, assistance and guidance in various aspects of the operation and management of the Unit (§8 7)

Advertising Program

You must participate in a System-wide Marketing Fund All franchises and affiliates will contribute 6% of their Gross Sales Monthly to the Marketing Fund We will administer the fund and will have an accounting available to you upon request, of the marketing fund prepared each year at the marketing fund's expense If excess amounts remain in any fund at the end of such fiscal year, all expenditures in the following fiscal year(s) shall be made first out of such excess amounts, including any interest or other earnings of the fund, and next out of prior year contributions and then out of current contributions (§11 3) The funds from the Marketing Fund will be used to maintain the CCS Cleans Website (§11 5) The System-wide Marketing Fund will not be used to solicit new franchise sales

We do not have an advertising council You will not be required to participate in an advertising cooperative

Computer System

You are required to purchase the following computer hardware and software

Hardware	Software
POS Hardware	QuickBooks Accounting Pro Software Package (2011 or higher)
Computer	POS System Software
Backup Drive	Microsoft Office (2007 or higher)

The approximate cost of the Computer System is $1,000 to $2,000 We have the right to request your computer and point of sale data (§12 6)

Operations Manual

Our Operations Manual includes the following topics

Manual Section	Number of Pages
Preface & Introduction	32
Establishing My Franchise Business	53
Personnel	56
Administrative Procedures	11
Daily Procedures	19
Selling & Marketing	22
Total Number of Pages	193

Franchisor's Training Program

The initial training program will be conducted approximately 2 months before the opening of the Unit and will be held at our location and yours The training materials include the Operations Manual and related written materials Greg Augustyn has been working in the industry for a total of 6 years We do not charge

for initial training, however, you must pay for all travel costs and living expenses any attendees Your designated manager is required to attend and satisfactorily complete the initial training program You may also bring up to 2 assistants (§8 1) Additional training programs may be required but are not currently scheduled (§8 5)

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Sales and Marketing - Developing your marketing and business development programs - Prospecting - Closing Business - Collecting Payment	30	16	At Franchisor's or Franchisee's Location
Providing Services - Managing Clients - Managing your Client Base - Other Services Provided to Customers	40	16	At Franchisor's Location or At Franchisee's Location
Hiring Employees and Managing your Staff - Where to Recruit - How to Hire - How to Evaluate	8	4	At Franchisor's Location or At Franchisee's Location
Payroll, Administrative and Office Applications Building Projections for your Business Developing a Business Plan	8	4	At Franchisor's Location or At Franchisee's Location
Total	86	54	

ITEM 12. TERRITORY

If we have not already approved a specific location for the Unit, you shall select and submit possible sites within the Designated Area for our approval You will receive a minimum territory based on a five-mile radius from the Approved Location or a population of 200,000 whichever is smaller We will allow the reasonable relocation of the Unit within the Territory You will not be permitted to open additional franchise outlets within the Territory

We grant you an exclusive territory The continuation of your territorial protection does not depend on achieving a certain sales volume, market penetration, or other contingency Neither our Affiliate nor we have retained the right to use other channels of distribution within the Territory under our Marks or different trademarks You shall not directly market to or solicit customers located within the Territory of another franchisee or Affiliate but may otherwise solicit customers located outside of your Territory

Neither our Affiliate nor we operate a business under a different trademark that will compete with you

ITEM 13. TRADEMARKS

Principal Trademark(s)

The following are the principal trademarks that we license to you

CCS CLEANS
CONSOLIDATED CLEANING SYSTEMS

Since we do not have a federal registration for our principal trademark, our trademark does not have as many legal benefits and rights as a federally registered trademark If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses

Material Determinations

We know of no effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of the State of California or any state trademark administrator or any court, state or federal involving the Marks We know of no pending infringement, opposition or cancellation proceeding, we know of no pending material litigation in federal court or in any state court involving or regarding our use or ownership of the Marks

Trademark Agreements

We have an agreement with our Affiliate for the use and licensing of our Marks that is perpetual and doesn't require the payment of any ongoing fees

Trademark Liabilities

We are not required to protect your right to use the principle trademark or to protect you against claims of infringement or unfair competition arising out of your use of the Marks You must immediately notify us when you learn about an infringement of, or challenge to your use of, any Mark, or any claim by any person of any rights in any Marks, and you must not communicate with any person other than us and our counsel regarding any infringements, challenges or claims unless you are legally required to do so however, you may communicate with you own counsel at your own expense We are not required to take affirmative action when notified of these uses or claims but will take the action we think appropriate We have the option to control the defense and settlement of any proceeding related to your use of the Marks We will reimburse you for all of your expenses reasonably incurred in any legal proceeding disputing your authorized use of any Mark, but only if you notify us of the proceeding in a timely manner and you have complied with our directions with regard to the proceeding

If we require you to modify or discontinue using a trademark, you will be solely responsible for all expenses up to the cap for system modifications stated in the Franchise Agreement

Superior Rights and Infringements

We know of no prior superior uses that could materially affect the use of the Marks in any state in which the Unit is to be located We know of no infringing uses that could materially affect your use of the principal trademarks in your state

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

We do not own rights in, or licenses to, patents or patent applications that are material to the franchise

Copyrights

All of our original works of authorship fixed in a tangible medium of expression, including but not limited to our Operations Manual, are automatically protected under the U S Copyright Act We have not sought a copyright registration for any of these materials You may use our copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for the purpose of operating your Unit There are no material determinations of the United States Copyright Office or any court regarding any of our copyrighted materials We are not obligated to protect the copyright or to defend you against claims arising from your use of the copyrighted items

Trade Secrets

We have developed certain trade secrets and other confidential information, including methods of business management, sales and promotion techniques, and know-how, knowledge of, and experience in, operating a CCS Cleans

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

You are required to appoint a Designated Manager to provide personal on-premises supervision of the Unit The Designated Manager must successfully complete our training program, any additional trainings we designate, and will be required to sign nondisclosure and noncompetition agreements in a form the same as or similar to the Nondisclosure and Noncompetition agreement attached to the Franchise Agreement

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You are only permitted to offer the products *or* services authorized by us and you must discontinue offering any products *or* services that we may disapprove You are not obligated to sell all of the products *or* services authorized by us We may periodically change required or authorized services *or* products There are no limits on our right to do so, except that your investment required to change required or authorized services will not exceed $25,000 during the initial term of the franchise

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements You should read these provisions in the agreement attached to this Disclosure Document You should refer to your state's-specific addendum attached to this Disclosure Document for exceptions to this ITEM 17

Provision	Section in Franchise or Other Agreement	Summary
a Length of franchise term	4 1	The initial term is 10 years
b Successor franchise term	4 2	A Successor Franchise means the continuation of your franchise under the then current Franchise Agreement and Operations Manual that may contain materially different terms and conditions than Franchisee's original contract
c Requirements for franchisee to renew or extend	4 2	You may renew the then-current Franchise Agreement if you have fully complied with the provisions of the Franchise Agreement, have the right to maintain possession of the approved location or an approved substitute location for the term of the renewal, have made capital expenditures as necessary to maintain uniformity with the System, have satisfied all monetary obligations owed to us, are not in default of any provision of the Franchise Agreement or any other agreement with us, have given timely written notice of your intent to renew, sign a current Franchise Agreement, which may have different terms and conditions than your original Franchise Agreement, comply with current training requirements, and sign a general release in a form the same as or similar to the General Release attached to the Franchise Agreement
d Termination by franchisee	15 1	You may terminate the Franchise Agreement if you are in compliance with it, we materially breach it, and we fail to begin to cure our breach within 30 days of receiving your written notice
e Termination by franchisor without cause	None	
f Termination by franchisor with cause	15 2	See g and h below
g "Cause" defined-curable defaults	15 2 2	If a default arises from your failure to comply with a mandatory specification in the Franchise Agreement or Operations Manual, you can avoid termination of the Franchise Agreement if you cure the following defaults your failure to maintain insurance, your failure to make payments due to us, your failure to comply with any mandatory Specification, standard or operating procedure prescribed in the Operations Manual or otherwise prescribed in writing, or any other default not explicitly stated in the Franchise Agreement
h "Cause" defined-non-curable defaults	15 2 1	We have the right to terminate the Franchise Agreement without giving you an opportunity to cure if you fail to timely select an approved site for or establish, equip and

		begin operations, fail to have your Designated Manager satisfactorily complete training, make a material misrepresentation or omission in the application for the franchise, after notice to cure, fail to refrain from activities, behavior or conduct likely to adversely affect the reputation of either party or the brand, are convicted of or plead no contest to a felony or other crime or offense likely to affect the reputation of either party or the brand, use the Operations Manual, Training Manuals, trade secrets or other confidential information in an unauthorized manner, if required, fail to have your owners (and members of their immediate families and households), officers, directors, managers, executives and professional staff, and other individuals having access to trade secrets or other confidential information sign nondisclosure and non-competition agreements or, if requested, fail to provide us with copies of all signed nondisclosure and non-competition agreements, abandon the Unit for 5 or more consecutive days, surrenders or transfers control of the Unit in an unauthorized manner, fail to maintain the Unit under the supervision of a Designated Manager following ITS death or disability, submit reports on 2 or more separate occasions understating any amounts due by more than 3%, are adjudicated bankrupt, insolvent or make a general assignment for the benefit of creditors, misuse or make unauthorized use of the Marks, fail on 2 or more occasions within any 12 months to submit reports or records or to pay any fees due to us or any Affiliate, violate on 2 or more occasions any health, safety or other laws or operate the Unit in a manner creating a health or safety hazard to customers, employees or the public, take any action reserved to us, fail to comply with applicable law after notice, breach the franchise agreement or fail to comply with specifications on 2 or more occasions within any 12 months, or default under any other agreement with us (or an Affiliate) so that they have the right to terminate such agreement
i Franchisee's obligations on termination/ nonrenewal	16 1	If the Franchise Agreement is terminated or not renewed, you must stop operating the Unit, stop using any trade secrets, confidential information, the System and the Marks, if requested, assign your interest in the franchise location to us, cancel or assign to us any assumed names, pay all sums owed to us including damages and costs incurred in enforcing the Franchise Agreement, return the Operations Manual, trade secrets and all other confidential information, assign your telephone and facsimile numbers to us, comply with the covenants not to compete and any other surviving provisions of the Franchise Agreement
j Assignment of contract by franchisor	17 1	There are no restrictions on our right to assign our interest in the Franchise Agreement
k "Transfer" by franchisee-definition	17 2	"Transfer" means to sell, assign, convey, give away, pledge, mortgage, sublicense or otherwise transfer,

		whether by operation of law or otherwise, any interest in this Agreement, the franchise granted hereby, the Approved Location, its assets, or any part or all of the ownership interest in Franchisee
l Franchisor's approval of transfer by franchisee	17 2	You may not transfer your interest without our prior written consent
m Conditions for franchisor approval of transfer	17 2	You will consent to a transfer if we have not exercised our right of first refusal, all obligations owed to us are paid, you and the transferee have signed a general release in a form the same as or similar to the General Release attached to the Franchise Agreement, the prospective transferee meets our business and financial standards, the transferee and all persons owning any interest in the transferee sign the then current Franchise Agreement, you provide a copy of all contracts and agreements related to the transfer, you or the transferee pay a transfer fee of $15,000, the transferee or the owners of transferee have agreed to be personally bound by all provisions of the Franchise Agreement, you have agreed to guarantee performance by the transferee, if requested by us, the transferee has obtained all necessary consents and approvals of third parties, you or all of your equity owners have signed a noncompetition agreement in a form the same as or similar to the Nondisclosure and Noncompetition attached to the Franchise Agreement, the transferee has agreed that its Designated Manager will complete the initial training program before assuming management of the Unit, and the transferee has obtained all necessary types of insurance
n Franchisor's right of first refusal to acquire franchisee's business	18	We may match an offer for the Unit or an ownership interest you propose to sell
o Franchisor's option to purchase franchisee's franchised business	16 4	Except as described in (n) above, we do not have the right to purchase the Unit, however, during the 30-day period after the termination or expiration of the Franchise Agreement, we have the right to purchase any assets of the Unit for fair market value
p Death or disability of franchisee	17 6	Following the death or incapacity of an owner of the Unit or the death or incapacity of any holder of a legal or beneficial interest in the Unit, you or your representative must transfer, subject to the terms of the Franchise Agreement, the individual's interest in the Unit within 180 days of death or incapacity or we may terminate the Franchise Agreement.
q Noncompetition covenants during the term of the franchise	7 3	You, your owners (and members of their families and households) and its officers, directors, executives, managers, professional staff and employees are prohibited from attempting to divert any business or customer of the Unit to a competitive business or causing injury or prejudice to the Marks or the System,

		owning or working for a competitive business
r Noncompetition covenants after the franchise is terminated or expires	16 2	For 1 year after the termination or expiration of the Franchise Agreement, you, your owners (and members of their families and households) and your officers, directors, executives, managers or professional staff are prohibited from owning or working for a competitive business operating within 25 miles of the franchise location or within the Territory (whichever is greater), or within 25 miles of any other franchisee or affiliate, or soliciting or influencing any of our customers, employees or business associates to compete with us or terminate their relationship with us
s Modification of the agreement	9 2, 21 7 and 21 8	The Franchise Agreement can be modified only by written agreement between you and us We may modify the Operations Manual without your consent if the modification does not materially alter your fundamental rights
t Integration/ merger clause	21 6	Only the terms of the Franchise Agreement are binding (subject to state law) Any promises outside the disclosure document and franchise agreement may not be enforceable
u Dispute resolution by arbitration or mediation	22 6	Except for claims relating to the Marks, confidential information, trade secrets and covenants not to compete, and subject to state law, all disputes must be arbitrated in California
v Choice of forum	22 2	Subject to state law, any litigation must be pursued in courts located in California
w Choice of law	22 1	Subject to state law, California Law applies, except that disputes over the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U S C Sec 1051 et seq) and disputes over copyrights will be governed by federal copyright laws of the United States

ITEM 18. PUBLIC FIGURES

We do not presently use any public figures to promote our franchise

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

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 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 Greg Augustyn, 1468 James Rd, Gardnerville, Nevada 89640, the Federal Trade Commission, and the appropriate state regulatory agencies

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No 1

SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2014 TO 2016				
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2014	0	0	0
	2015	0	0	0
	2016	0	0	0
Company-Owned	2014	1	1	0
	2015	1	1	0
	2016	1	1	0
Total Outlets	2014	1	1	0
	2015	1	1	0
	2016	1	1	0

Table No 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2014 TO 2016		
State	Year	Number of Transfers
California	2014	0
	2015	0
	2016	0
Total	2014	0
	2015	0
	2016	0

Table No 3

STATUS OF FRANCHISE OUTLETS FOR YEARS 2014 TO 2016								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
California	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
Total	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0

Table No 4

STATUS OF COMPANY OUTLETS FOR YEARS 2014 TO 2016								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
California	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Total	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1

Table No 5

PROJECTED OPENINGS AS OF DECEMBER 31, 2016			
State	Franchise Agreements Signed But Outlet Not Yet Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
California	0	3	0
Total	0	3	0

In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experience with CCS Cleans 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 If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system

Currently, we have no trademark-specific franchise organization associated with the franchise system being offered

ITEM 21. FINANCIAL STATEMENTS

Attached as Exhibit E are our audited financial statements for the period from inception through December 31, 2016

Our fiscal year end is December 31

ITEM 22. CONTRACTS

All proposed agreements regarding the franchise offering are attached Franchise Agreement (Exhibit A), General Release (Exhibit 1 to the Franchise Agreement), Nondisclosure and Noncompetition Agreement (Exhibit 2 to the Franchise Agreement)

ITEM 23. RECEIPTS

Our copy and your copy of the Disclosure Document Receipts are located on the last 2 pages of this Disclosure Document

CCS CLEANS FRANCHISE AGREEMENT

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EXHIBIT A TO THE DISCLOSURE DOCUMENT

CCS FRANCHISING, LLC FRANCHISE AGREEMENT

This Franchise Agreement made this ___day in the month of_____, 20__, is by and between CCS Franchising, LLC, a Nevada Limited Liability Company, having its principal place of business at 1468 James Rd , Garnerville, NV 89460 , ("Franchisor"), and _____, an individual/partnership/corporation/limited liability company established in the State of _____ and whose principal address is _____ ("Franchisee")

WITNESSETH

WHEREAS, Franchisor and its Affiliate* have developed, and are in the process of further developing, a System identified by the trademark "CCS Franchising, LLC" and relating to the establishment and operation of a business that provides CCS Cleans services from a home based business location, referred to as "CCS Cleans," and

WHEREAS, in addition to the trademark "CCS Cleans" and certain other Marks, the distinguishing characteristics of the System include uniform standards and procedures for efficient business operations, procedures and strategies for marketing, advertising and promotion, customer service and development techniques, other strategies, techniques and Trade Secrets and other Confidential Information, and the Confidential Operations Manual, and

WHEREAS, Franchisor grants to qualified persons and business entities the right to own and operate a CCS Cleans Business using the System and the Marks, and

WHEREAS, Franchisee desires to operate a CCS Cleans Business, has applied for the Franchise and such application has been approved by Franchisor in reliance upon all of the representations made herein and therein, and

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high and uniform standards of quality, operations and service and the necessity of operating the Franchised Business in strict conformity with Franchisor's System

NOW, THEREFORE, Franchisor and Franchisee, intending to be legally bound, agree as follows

1. DEFINITIONS

Whenever used in this Agreement, the following words and terms have the following meanings

"Administration Fee" means a fee paid to Us for ongoing administrative services which will be provided through the franchise relationship These include managing paperwork, office responsibilities and other services

"Affiliate" means any business entity that controls, is controlled by, or is under common control with Franchisor, including but not limited to Consolidated Cleaning Systems LLC

*Capitalized terms not otherwise defined are defined in Section 1

EXHIBIT A TO THE DISCLOSURE DOCUMENT

"Agreement" means this agreement entitled "CCS Cleans Franchise Agreement" and all instruments supplemental hereto or in amendment or confirmation hereof,

"Approved Location" or "Franchised Business Facility" means the site for the operation of the Franchised Business selected by Franchisee and approved in writing by Franchisor,

"Competitive Business" means any business that offers or provides or grants franchises or licenses to others to operate a business that offers or provides CCS Cleans services the same as or similar to those services provided by CCS Cleans Businesses or in which Trade Secrets or other Confidential Information could be used to the disadvantage of Franchisor, any Affiliate or its other franchisees, provided, however, that the term "Competitive Business" shall not apply to (a) any business operated by Franchisee under a Franchise Agreement with Franchisor, or (b) any business operated by a publicly-held entity in which Franchisee owns less than a five percent (5%) legal or beneficial interest, or (c) any other business of Franchisor that does not fall within the defined term of "Competitive Business" as set for herein,

"Confidential Information" means technical and non-technical information used in or related to CCS Cleans Businesses and not commonly known by or available to the public, including, without limitation, Trade Secrets and any other information identified or labeled as confidential when delivered by Franchisor Confidential Information shall not include, however, any information that (a) is now or subsequently becomes generally available to the public through no fault of Franchisee, (b) Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement, (c) is independently developed without the use of any Confidential Information, (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information, or (e) Franchisee had previous knowledge of prior to this Agreement

"Confidential Operations Manual" means the CCS Cleans Confidential Operations Manual, whether in paper or electronic form, and any other items as may be provided, added to, changed, modified or otherwise revised by Franchisor from time to time that contain or describe the standards, methods, procedures and specifications of the System, including other operations, administration and managers' manuals and all books, computer programs, password-protected portions of an Internet site, pamphlets, memoranda and other publications prepared by, or on behalf of, Franchisor,

"Cooperative Advertising" means the combined advertising program of two (2) or more franchisees established within a common market that Franchisor may require for CCS Cleans Businesses within a particular region,

"Designated Manager" means the individual designated by Franchisee as having primary responsibility for managing the daily affairs of the Franchised Business If Franchisee is a legal business entity, (such as a corporation, partnership, or any other business entity), Franchisor may, in its sole discretion, require that the Designated Manager own at least fifteen percent (15%) of the equity in Franchisee, and if Franchisee is an individual and not a legal business entity, Franchisor may, in its sole discretion, require that the Designated Manager be the Franchisee, **"Effective Date"** means the date on which Franchisor and Franchisee fully execute this Agreement, thereby commencing its effectiveness and term,

"Electronic Depository Transfer Account" means an account established at a national banking institution approved by Franchisor and providing Franchisor with access to electronically withdraw any funds due Franchisor,

"Franchise" means the right granted to Franchisee by Franchisor to use the System and the Marks,

"Franchised Business" means the CCS Cleans Business to be established and operated by Franchisee pursuant to this Agreement,

"Franchisee" means the individual or entity defined as "Franchisee" in the introductory paragraph of this
Agreement,

"Franchisor" means CCS Franchising, LLC,

"Generally Accepted Accounting Principles" or "GAAP" means the standards, conventions and rules accountants follow in recording and summarizing transactions, and in the preparation of financial statements,

"Gross Revenue" means the aggregate of all revenue collected from all sources in connection with the Franchised Business, whether for check, cash, credit or otherwise including, but excluding (a) any revenue franchisee remits to a customer or property owner or collection agency that franchisee is contractually obligated to remit, (b) any chargeback fees franchisee pays to a collection agency, (c) any sales and equivalent taxes that are collected by Franchisee for or on behalf of any governmental taxing authority and paid thereto, and (d) any rebate received by Franchisee from a manufacturer or supplier,

"Incapacity" means the inability of Franchisee, or any holder of a legal or beneficial interest in Franchisee, to operate or oversee the operation of the Franchised Business on a regular basis by reason of any continuing physical, mental or emotional condition, chemical dependency or other limitation,

"Internet" means any one (1) or more local or global interactive communications media that is now available, or that may become available, including sites and domain names on the World Wide Web

"Marks" means the trade name or trademark "CCS Cleans" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as Franchisor may designate to be used in connection with CCS Cleans Businesses,

"System" means the uniform standards, methods, procedures and specifications developed by Franchisor and as may be added to, changed, modified, withdrawn or otherwise revised by Franchisor for the operation of CCS Cleans Businesses, and

"Trade Secrets" means information in any form (including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in CCS Cleans Businesses that is not commonly known by or available to the public and that information (a) derives economic value,

actual or potential, from not being generally known to, and not being readily ascertained by proper means by, other persons who can obtain economic value from its disclosure or use, and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy

"Unit" means the CCS Cleans business authorized by this Agreement and located at the Approved Location

2. GRANT OF FRANCHISE; APPROVED LOCATION

2.1. Grant

Franchisor hereby grants to Franchisee, and Franchisee undertakes and accepts, upon the terms and conditions herein contained, a revocable, limited license to operate one (1) CCS Cleans Business using the System and Marks of Franchisor

2 2 Trademark License

Franchisor hereby grants to Franchisee, a revocable, limited license to use the Marks within the Territory to promote and operate its business and otherwise as authorized in this agreement Franchisee acknowledges that Franchisor owns all rights, title, and interest in and to the Marks Franchisee agrees not to challenge in any court of law or in any other manner the validity of the Marks Franchisee acknowledges that all use of the Marks by Franchisee shall inure to the benefit of Franchisor and its good will associated with the Marks

2 3 Approved Location

2 2 1 The street address (or detailed description of the premises) of the Approved Location for the facility for the operation of the Franchised Business ("Franchised Business Facility") is

_____

_____

2 4 Approved Location Not Determined

If the Approved Location is determined as of the Effective Date, then this Section shall be inapplicable If the Approved Location is not determined as of the Effective Date, then the geographic area in which the Approved Location is to be located shall be within the geographic area described below ("Designated Area") Franchisee shall select and submit possible sites for Franchisor's evaluation in accordance with §5 1 When the Approved Location is determined, its address shall be inserted into §2 2, shall be initialed and dated by Franchisee and Franchisor and the Designated Area shall lapse The failure to insert such address into §2 2, shall not automatically affect the enforceability of this Agreement The Designated Area is delineated for the sole purpose of site selection and does not confer any territorial exclusivity or protection A detailed description of the geographic area or boundaries of the Designated Area is _____

_____

_____

_____

2.5 Territory

Franchisee will receive a non-exclusive Territory which will generally be based on a population of 250,000 people or a 5 mile radius from the franchised business location, whichever is greater Franchisee shall receive a Territory called the Territory to be mutually agreed upon by Franchisor and Franchisee and depicted in the map in Section 2 4 below Franchisee will operate the Franchised Business within the designated Territory and shall limit all direct marketing, advertising, and business activities within such area, as stated in Section 2 8 As long as this Agreement is in full force and effect and Franchisee is not in default under any of the terms hereof, Franchisor shall not limit or alter the boundaries of Franchisee's Territory Franchisee's rights in the Territory are subject to Franchisor's rights articulated in Section 2 6

2.6 Approved Relocation

If Franchisee wishes to relocate to a new Approved Location, Franchisee shall select and submit possible sites for Franchisor's evaluation in accordance with §§2 3 and 5 1 Franchisor shall not unreasonably withhold its approval

2 7 Additional Franchise Outlets

Franchisee shall not be permitted to open additional Units within their territory Additional franchises shall be governed by an additional franchise agreement

2 8 Map and Description of Territory

The Territory shall be defined by and exist within the following zip codes or other physical, political or natural boundaries

2 9 Sub-franchising/Agents

Franchisee shall not sublicense the use of the System or Marks to any person or entity Except as permitted in Section 18, Franchisee shall not grant any person or entity the right to perform any part of Franchisee's rights or obligations licensed hereunder

2.10. Franchisor's Rights

2 10 1 Franchisee acknowledges that except to the extent provided in Section 2 5 above, Franchisor expressly retains all rights and discretion with respect to the Marks and System, including the right to

2 10 1 1 establish, own or operate, and license others to establish, own or operate, Revolution Bakeries outside of the Territory,

2 10 1 2 establish, own or operate, and license others to establish, own or operate other businesses under other systems using other trademarks at locations inside and outside of the Territory,

2 10 1 3 be acquired (regardless of the form of transaction) by any business, even if the other business operates, franchises and/or licenses Competitive Businesses within the Territory,

2 10 1 4 provide the services and sell the products authorized for Revolution Bakeries using the Marks or other trademarks through an alternate channel of distribution on such terms and conditions as Franchisor deems appropriate, and

2 10 1 5 purchase or otherwise acquire the assets or controlling ownership of one or more Competitive Business some or all of which may be located anywhere, including within the Territory

2 10 2 If Franchisor purchases or acquires a Competitive Business within the Territory, Franchisor may, in its sole discretion

2 10 2 1 offer to sell any such businesses to Franchisee or to Franchisee at the business's fair market value to be operated as a CCS Cleans, or

2 10 2 2 offer Franchisee the opportunity to operate such business(s) in partnership with Franchisor (or an Affiliate) under the business(s) existing trade name or a different trade name

2 11 Marketing and Solicitation Restrictions

2 11 1 Except as part of cooperative advertising implemented pursuant to §11 4, Franchisee shall not advertise in any media whose primary circulation is within the area of primary responsibility of another franchisee or Affiliate Franchisor shall make reasonable efforts to enforce these restrictions with regard to Franchisee and any other CCS Cleans franchisees, but under no circumstances shall Franchisor be required to engage in litigation or similar actions with regard to these restrictions

2 11 2 Despite the marketing restriction in the previous section, Franchisee shall be permitted to serve any customers regardless of their home or business location at their Approved Location within the Territory

3. FEES

3 1 Franchise Fee

Payment of the franchise fee is postponed until after all of franchisor's initial obligations are complete and franchisee is open for business Franchisee shall pay a fee ("Franchise Fee") to Franchisor of TWENTY FIVE THOUSAND DOLLARS ($25,000) Franchisee shall be granted a decreased franchise fee of TWENTY TWO THOUSAND FIVE HUNDRED DOLLARS ($22,500) for all subsequent units opened by Franchisee The Franchise Fee shall be deemed fully earned upon execution of this Agreement and is nonrefundable, except under certain conditions set forth under Sections 5 2, 5 5 and 8 3 The Franchise Fee is payment, in part, for expenses incurred by Franchisor in furnishing assistance and services to Franchisee as set forth in this Agreement and for costs incurred by Franchisor, including general sales and marketing expenses, training, legal, accounting and other professional fees The Franchise Fee shall be due within 15 days of opening for business after which it will be deemed late

3.2 Monthly Royalty Fee

3 2 1 On or before the seventh (7th) day of each month, for so long as this Agreement shall be in effect, Franchisor shall be entitled to a fee ("Royalty Fee") equal to eight percent (8%) of the Gross Revenue for the previous month Franchisee shall pay monthly Royalty Fees in the following manner

3 2 1 1 Franchisee shall make a Royalty Fee payment to Franchisor on or before the second business day after the Gross Revenue Report is due each month that is equal to eight percent (8%) of Gross Revenue of the Franchised Business that Franchisee collects during the previous month, and

3 2 1 2 On or before the second business day after the Gross Revenue Report is due each month, Franchisor shall deduct and retain as a Royalty Fee payment eight percent (8%) of any Gross Revenue of the Franchised Business which is collected by Franchisor during the previous month and then Franchisor shall remit the remainder of such Gross Revenue to Franchisee

3 2 1 3 Each monthly Royalty Fee payment made by Franchisee shall accompany a Gross Revenue Report, as required by Section 12 2, for the same period Failure to have funds available for royalty and marketing payments on the second business day after the monthly sales report is due may result in a fine of $100 per a day for each day that the funds are not available

3 3 Late Fees

Failure to have funds available for royalty and marketing payments on the second business day after the Gross Revenue Report is due will result in a fine of $100 per a day for each day that the funds are not available

3 4. Application of Payments

Notwithstanding any designation by Franchisee, Franchisor shall, after written notification to Franchisee, have the right to apply any payments by Franchisee to any past due indebtedness of Franchisee for Royalty Fees, Marketing Fund Contributions, purchases from Franchisor or any other amount owed to Franchisor in any proportion or priority

4. TERM AND RENEWAL

4 1 Initial Term

This Agreement shall be effective and binding for an initial term of ten (10) years from the Effective Date, unless sooner terminated pursuant to Section 15

4 2 Successor Franchise

4 2 1 Subject to the conditions below, Franchisee has the right to obtain a Successor Franchise at the expiration of the term of this Agreement by entering into the then current franchise agreement with Franchisor To qualify for a successor franchise, each of the

following conditions shall have been fulfilled and remain true as of the last day of the term of this Agreement

4 2 1 1 Franchisee has, during the entire term of this Agreement, fully complied with all material provisions of this Agreement,

4 2 1 2 Franchisee has access to and, for the duration of the successor franchise, the right to remain in possession of the Approved Location, or a suitable substitute location approved by Franchisor, which is in full compliance with Franchisor's then-current specifications and standards,

4 2 1 3 Franchisee has, at its expense, made such capital expenditures as were necessary to maintain uniformity with any Franchisor-required System modifications such that the Franchised Business reflects Franchisor's then-current standards and specifications,

4 2 1 4 Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor (or any Affiliate), and has timely met these obligations throughout the term of this Agreement,

4 2 1 5 Franchisee is not in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor,

4 2 1 6 Franchisee has given written notice of its intent to operate a successor franchise to Franchisor not less than three (3) months nor more than six (6) months prior to the end of the term of this Agreement,

4 2 1 7 Franchisee has executed Franchisor's then-current form of franchise agreement (or has executed other documents at Franchisor's election that modify this Agreement to reflect the fact that the Franchise Agreement relates to the grant of a successor franchise), which franchise agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement by requiring, among other things, a different percentage Royalty Fee or Marketing Fund Contribution, provided, however, that Franchisee shall not be required to pay either a renewal fee or the then-current Franchise Fee, and further provided that Franchisor will provide Franchisee will at least six (6) months written notice of the Franchisor's intent to change any of the terms of the Franchise Agreement The Parties understand this to be necessary to consider additional renewal terms

4 2 1 8 Franchisee has complied with Franchisor's then-current qualifications for a new franchisee and has agreed to comply with any training requirements, and

4 2 1 9 Franchisee has executed a general release, in a form the same as or similar to the General Release attached as Exhibit 1, of any and all claims against Franchisor, any Affiliate and against their officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), except to the extent prohibited by the laws of the state where the Franchised Business is located

5. APPROVED LOCATION

5 1 Selection of Site

The Franchisee shall operate from a home based location or will select a facility to lease for the operation of the Franchised Business A facility or Approved Location must be established for the management and administration of the Franchised Business, for the operation of the business, maintenance and storage of the books and records, equipment and supplies of the Franchised Business If an Approved Location for the Franchised Business has not been determined as of the Effective Date, Franchisee shall promptly select a site for the Franchised Business and shall notify Franchisor of such selection Franchisor shall evaluate the site and notify Franchisee of its approval or disapproval of the site within a reasonable time (usually thirty [30] days) of receiving notice of the site from Franchisee If Franchisor approves of such selection, the site shall be designated as the Approved Location If Franchisor does not approve of such selection, Franchisee shall select and notify Franchisor of new sites until Franchisor approves a site for the Franchised Business Franchisor shall provide Franchisee with general guidelines to assist Franchisee in selecting a site suitable for the Approved Location Franchisor has the right to approve or disapprove a proposed location based on such factors as it deems appropriate, including, without limitation, the condition of the premises, demographics of the surrounding area, proximity to other CCS Cleans Businesses, proximity to Competitive Businesses and lease requirements Franchisee shall not locate the Franchised Business on a selected site without the prior written approval of Franchisor ***Franchisor does not represent that it, or any of its Affiliates, owners, employees or agents, have special expertise in selecting sites. Neither Franchisor's assistance nor approval is intended to indicate or indicates that the Franchised Business will be profitable or successful at the Approved Location Franchisee is solely responsible for identifying the Approved Location.***

5 2 Failure to Select Site

Should Franchisee fail to select a site for the Franchised Business Facility, which meets with Franchisor's approval within ninety (90) days after the Effective Date, Franchisor or Franchisee has the right to terminate this Agreement If this Agreement is terminated pursuant to this Section 5 2, Franchisor shall return to Franchisee one hundred percent (100%) of the Franchise Fee paid by Franchisee upon Franchisor's receipt of a general release, the same as or similar to the General Release attached as Exhibit 1, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities)

5 3 Lease of Approved Location

5 3 1 If Franchisee is to execute a lease for, or a binding agreement to purchase, the Approved Location, Franchisee must obtain Franchisor's approval of the terms Franchisor shall not unreasonably withhold its approval ***Franchisor's review of a lease or purchase agreement, or any advice or recommendation offered by Franchisor, shall not constitute a representation or guarantee that Franchisee will succeed at the Approved Location nor constitute an expression of Franchisor's opinion regarding the terms of such lease or purchase agreement. Franchisee acknowledges and agrees that Franchisee shall solely rely on its review of any such lease or purchase agreement.*** Franchisor shall be entitled to require that nothing therein contained is contradictory to, or likely to interfere with, Franchisor's rights or Franchisee's duties under this Agreement Franchisee shall take all actions necessary to maintain the lease, if any, of the Approved Location while this Agreement is in effect Any default for which the lease may be terminated shall also be deemed a default hereunder and the time to cure the same shall expire when the lease is terminated Franchisor has the right to require that the lease for the Approved Location be collaterally assigned by

Franchisee to Franchisor, pursuant to the terms of its standard collateral assignment of lease form, to secure performance by Franchisee of its obligation under this Agreement Franchisor's approval of a lease shall be conditioned upon inclusion of terms in the lease acceptable to Franchisor and, at Franchisor's option, the lease shall contain such provisions as Franchisor may reasonably require, including

5 3 1 1 a provision reserving to Franchisor the right, but not the obligation, at Franchisor's election, to receive an assignment of the leasehold interest without payment of any assignment fee or similar charge and without a requirement for the payment of an additional security deposit or any increase in rent or other fees upon termination or expiration of the Franchise grant The lessor agrees that, before the effective date of any assignment of the lease to Franchisor (or its designee), Franchisee shall be solely responsible for all obligations, debts and payments under the lease Franchisee shall not be entitled to a return of its security deposit,

5 3 1 2 a provision requiring the lessor to provide Franchisor with a copy of any written notice of deficiency sent by the lessor to Franchisee, and granting to Franchisor the right (but not the obligation) to cure any deficiency under the lease should Franchisee fail to do so within fifteen (15) days after the expiration of the period in which Franchisee may cure the default,

5 3 1 3 a provision requiring the lessor to provide Franchisor (at the same time lessor provides to Franchisee) a copy of all lease amendments and assignments, and a copy of all letters and notices lessor sends to Franchisee relating to the lease or the leased premises,

5 3 1 4 a provision permitting Franchisor to enter the leased premises to make any modifications or alterations necessary in Franchisor's sole discretion to protect the System and the Marks without being guilty of trespass, or other tort or other crime, provided it is in compliance with the lease and does not make structural changes to the leased premises,

5 3 1 5 a provision allowing Franchisee to display the Marks in accordance with the specifications required by the Confidential Operations Manual, subject only to the provisions of applicable law,

5 3 1 6 a provision prohibiting the premises from being used for any purpose other than the operation of the Franchised Business,

5 3 1 7 a provision allowing Franchisor, upon expiration and non-renewal or termination of the lease or the Franchise Agreement, to enter the premises and remove any interior and exterior signs containing the Marks and trade fixtures,

5 3 1 8 a provision stating that upon default of this Agreement, Franchisor or its nominee has the right, but not the obligation, to take possession of the Approved Location and operate the Franchised Business and notwithstanding Franchisor's (or the nominee's) possession, the lessor agrees that during all times prior to an assignment of the lease to Franchisor (or its designee), Franchisee shall be solely responsible for all obligations, debts and payments under the lease incurred prior to or during such possession and prior to such assignment, and

5 3 1 9 a provision stating that lessor shall not amend or otherwise modify the lease in any manner that would affect any of the foregoing provisions to be included in the lease set forth above without Franchisor's prior written consent

5 4 Development of Approved Location

5 4 1 Franchisor shall make available to Franchisee, at no charge to Franchisee, specifications for the development of the Franchised Business Facility, including specifications for improvements, supplies and equipment which are necessary for the development and operation of a CCS Cleans Business Franchisee shall cause the Franchised Business Facility to be developed, equipped and improved in accordance with such specifications within sixty (60) days after the Effective Date In connection with the development of the Franchised Business Facility, Franchisee shall

5 4 1 1 obtain all permits and licenses required for operation of the Franchised Business including any permits and certify in writing that all such permits and certifications have been obtained,

5 4 1 2 purchase any supplies or inventory necessary for the operation of the Franchised

Business, as specified in the Confidential Operations Manual,

5 4 1 3 purchase and install all equipment, furniture and fixtures, including any software and computer equipment, required by Franchisor for the operation of the Franchised Business, and

5 4 1 4 establish broadband or high-speed Internet access and obtain at least one (1) telephone number one email address solely dedicated to the Franchised Business

5 5 Failure to Develop Approved Location

Should Franchisee fail to develop the Approved Location for the Franchised Business Facility within ninety (90) days after the Effective Date, Franchisor has the right to terminate this Agreement This deadline can be extended by the Franchisee and Franchisor by written agreement, which shall not be unreasonably denied If this Agreement is terminated pursuant to this Section 5 5, Franchisor shall return to Franchisee one hundred percent (100%) of the Franchise Fee paid by Franchisee upon Franchisor's receipt of a general release, the same as or similar to the General Release attached as Exhibit 1, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities)

5 6. Opening

5 6 1 Before opening the Franchised Business and commencing business Franchisee must

5 6 1 1 fulfill all of the obligations of Franchisee pursuant to the other provisions of thi

5 6 1 2 furnish Franchisor with copies of all insurance policies required by this Agreement, or by the lease (if any), or such other evidence of insurance coverage and payment of premiums as Franchisor may request,

5 6 1 3 complete initial training to the satisfaction of Franchisor,

5 6 1 4 hire and train the personnel necessary or required for the operation of the

5 6 1 5 if Franchisee is a business entity, Franchisee has caused each of its stock certificates or other ownership interest certificates to be conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that such ownership interest is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement,

5 6 1 6 obtain Franchisor's permission and approval of an opening date, Franchisor shall not unreasonably withhold consent to open Permission to open shall be based on Franchisor's determination that Franchisee is ready to open and satisfactorily prepared to operate, and

5 6 1 7 pay in full all amounts due to Franchisor

5 6 1 8 Franchisee shall comply with these conditions and be prepared to open and continuously operate the Franchised Business within one hundred twenty (120) days after the Effective Date Time is of the essence but can be extended by the Franchisee and Franchisor by written agreement, which shall not be unreasonably denied

5 7 Failure to Open

Should Franchisee fail to commence operations of the Franchised Business within one hundred twenty (120) days after the Effective Date, unless extended, Franchisor or Franchisee has the right to terminate this Agreement

5 8 Use of Approved Location

Franchisee shall not use the Approved Location for any purpose other than for the operation of a CCS Cleans Business in full compliance with this Agreement and the Confidential Operations Manual, unless approved in writing by Franchisor

5 9 Relocation

Franchisee shall not relocate the Franchised Business Facility without the prior written consent of Franchisor If the Franchised Business Facility is leased, and the lease expires or terminates through no fault of Franchisee or if the Franchised Business Facility's premises is destroyed, condemned or otherwise rendered unusable, Franchisee may request the right to relocate the Franchised Business Facility either permanently or temporarily as appropriate under the circumstances and Franchisor shall not unreasonably withhold its consent to such relocation Should Franchisee desire to relocate the Franchised Business Facility for any other reason, Franchisee shall request the right and Franchisor may approve or disapprove such request Any relocation of the Franchised Business Facility shall be at Franchisee's sole expense, and shall

proceed in accordance with the requirements set forth in Sections 5 1 through 5 8 Franchisor has the right to charge Franchisee for any costs incurred by Franchisor in providing assistance to Franchisee, including, but not limited to, legal and accounting fees Notwithstanding the foregoing, Franchisor has no obligation to provide relocation assistance If Franchisor and Franchisee do not agree upon a substitute site within ninety (90) days after the lease expires or is terminated or the Approved Location is rendered unusable, this Agreement shall terminate

6. PROPRIETARY MARKS

6 1. Ownership

Franchisee's right to use the Marks is derived solely from this Agreement, is nonexclusive and is limited to the conduct of business by Franchisee pursuant to, and in compliance with, this Agreement and all applicable standards, specifications and operating procedures prescribed from time to time by Franchisor Any unauthorized use of the Marks by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Marks Franchisee's use of the Marks, and any goodwill created thereby, shall inure to the benefit of Franchisor Franchisee shall not at any time acquire an ownership interest in the Marks by virtue of any use it may make of the Marks This Agreement does not confer any goodwill, title or interest in the Marks to Franchisee Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Marks or assist any other person in contesting the validity or ownership of any of the Marks

6 2. Limitations on Use

Franchisee shall not use any Mark or portion of any Mark as part of any business entity name Franchisee shall not use any Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor Franchisee shall give such notices of trademark and service mark registrations as Franchisor specifies and obtain such fictitious or assumed name registrations as may be required under applicable law to do business as a Franchised Business Franchisee shall not register or seek to register as a trademark or service mark, either with the United States Patent and Trademark Office or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any Mark licensed to Franchisee Franchisee shall include on its letterhead, forms, cards and other such identification, and shall display at the Approved Location, a prominent notice stating that the Franchised Business is an "Independently Owned and Operated CCS Cleans Franchise" of Franchisee

6 3 Notification of Infringements and Claims

Franchisee shall immediately notify Franchisor of any infringement of the Marks or challenge to its use of any of the Marks or claim by any person of any rights in any of the Marks Franchisee shall not communicate with any person other than Franchisor and Franchisor's counsel in connection with any such infringement, challenge or claim, provided, however, Franchisee may communicate with Franchisee's counsel at Franchisee's expense Franchisor has the right to take such action as it deems appropriate and the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge, or claim or otherwise relating to any of the Marks Franchisee shall execute any and all instruments and documents, render such assistance, and do such acts and things as may in the opinion of

Franchisor's counsel, be necessary or advisable to protect and maintain Franchisor's interests in any such litigation or other proceeding or to otherwise protect and maintain Franchisor's interest in the Marks

6 4. Indemnification for Use of Marks

Franchisor shall reimburse Franchisee for all expenses reasonably incurred by Franchisee in any trademark or similar proceeding disputing Franchisee's authorized use of any Mark, provided that Franchisee has complied with the provisions of Section 6 3 and has complied with this Agreement and Franchisor's directions in responding to such proceeding At Franchisor's option, Franchisor or its designee may defend and control thedefense of any proceeding arising directly from Franchisee's use of any Mark This indemnification shall not include the expense to Franchisee of removing signage or discontinuance of the use of the Marks This indemnification shall not apply to litigation between Franchisor and Franchisee wherein Franchisee's use of the Marks is disputed or challenged by Franchisor This indemnification shall not apply to any separate legal fees or costs incurred by Franchisee in seeking independent counsel separate from the counsel representing Franchisor and Franchisee in the event of litigation disputing Franchisor and Franchisee's use of the Marks

6.5 Discontinuance of Use

If Franchisor deems it necessary for Franchisee to modify or discontinue use of any of the Marks, and/or use one (1) or more additional or substitute trade names, trademarks, service marks or other commercial symbols, Franchisee shall comply with Franchisor's directions within ten (10) business days after notice to Franchisee by Franchisor and subject to the limitations in Section 10 2 Franchisor shall not be required to reimburse Franchisee for its expenses in modifying or discontinuing the use of a Mark or any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by Franchisee to promote a modified or substitute Mark

6 6 Right to Inspect

To preserve the validity and integrity of the Marks and any copyrighted materials licensed hereunder, and to ensure that Franchisee is properly employing the Marks in the operation of the Franchised Business, Franchisor and its designees have the right to enter and inspect the Franchised Business and the Approved Location at all reasonable times, with at least 24 hours of prior written notice and, additionally, have the right to observe the manner in which Franchisee renders services and conducts activities and operations, and to inspect facilities, equipment, products, supplies, reports, forms and documents and related data to ensure that Franchisee is operating the Franchised Business in accordance with the quality control provisions and performance standards established by Franchisor Franchisor and its agents shall have the right, at any reasonable time, to remove sufficient quantities of products, supplies or other items to test whether such products or items meet Franchisor's then-current standards Franchisor will not remove any products, supplies or other items that may cause harm to sales Franchisor or its designee has the right to observe Franchisee and its employees during the operation of the Franchised Business and to interview and survey (whether in person or by mail) customers and employees and to photograph or videotape the operations

6 7 Franchisor's Sole Right to Domain Name

Franchisee shall not advertise on the Internet using, or establish, create or operate an Internet site or website using a domain name or uniform resource locator containing, the Marks or the words "CCS Cleans" or any variation thereof without Franchisor's written approval Franchisor is the sole owner of all rights, title and interest in and to such domain names as Franchisor shall designate in the Confidential Operations Manual The Parties have agreed that Franchisee can operate its own website for its storefront as long as it has a direct link to CCS Cleans' main site and is approved by Franchisor

7. TRADE SECRETS AND OTHER CONFIDENTIAL INFORMATION

7 1. Confidentiality of Trade Secrets and Other Confidential Information

Franchisee acknowledges that Franchisor shall disclose Trade Secrets and other Confidential Information to Franchisee during the training program, through the Confidential Operations Manual, and as a result of guidance furnished to Franchisee during the term of this Agreement Franchisee shall not acquire any interest in the Trade Secrets or other Confidential Information, other than the right to use it in the development and operation of the Franchised Business and in performing its duties during the term of this Agreement Franchisee acknowledges that the use or duplication of the Trade Secrets or other Confidential Information in any other business venture would constitute an unfair method of competition Franchisee acknowledges that the Trade Secrets and other Confidential Information are proprietary and are disclosed to Franchisee solely on the condition that Franchisee (and all holders of a legal or beneficial interest in Franchisee and all officers, directors, executives, managers and members of the professional staff of Franchisee) (a) shall not use the Trade Secrets or other Confidential Information in any other business or capacity, (b) shall maintain the absolute confidentiality of the Trade Secrets and other Confidential Information during and after the term of this Agreement, (c) shall not make any unauthorized copies of any portion of the Trade Secrets or other Confidential Information disclosed in written or other tangible form, and (d) shall adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of the Trade Secrets and other Confidential Information Franchisee shall enforce this Section as to its employees, agents and representatives and shall be liable to Franchisor for any unauthorized disclosure or use of Trade Secrets or other Confidential Information by any of them

7 2 Additional Developments

7 2 1 All ideas concepts, techniques or materials concerning the System or developed, in whole or in part, using Trade Secrets or other Confidential Information, whether or not protectable intellectual property and whether created by or for Franchisee or its owners or employees, shall be promptly disclosed to Franchisor and shall be deemed the sole and exclusive property of Franchisor and works made-for-hire for Franchisor, and no compensation shall be due to Franchisee or its owners or employees therefore, and Franchisee agrees to assign to Franchisor all right, title and interest in any intellectual property so developed Franchisor has the right to incorporate such items into the System for the benefit of all franchisees To the extent any item does not qualify as a "work made-for-hire" for Franchisor, Franchisee shall assign, and by this Agreement, does assign, ownership of that item, and all related rights to that item, to Franchisor and shall sign any assignment or other document as Franchisor requests to assist Franchisor in obtaining or preserving intellectual property rights in the item Franchisor shall disclose to Franchisee concepts and developments of other franchisees that are made part

of the System As Franchisor may reasonably request, Franchisee shall take all actions to assist Franchisor's efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Franchisee or not

7.3. Exclusive Relationship

7 3 1 Franchisee acknowledges that Franchisor would be unable to protect the Trade Secrets and other Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among CCS Cleans franchisees if owners of CCS Cleans Businesses and members of their immediate families or households were permitted to hold an interest in or perform services for any Competitive Business Therefore, during the term of this Agreement, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee (or any member of their immediate families or households), nor any officer, director, executive, manager or member of the professional staff of Franchisee, either directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, partnership, corporation, limited liability company or other business entity, shall

7 3 1 1 Divert or attempt to divert any business or customer of the Franchised Business to any Competitive Business, 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 or the System, or

7 3 1 2 Own an interest in, manage, operate, or perform services for any Competitive Business

7 4 Nondisclosure and Non-Competition Agreements with Certain Individuals

Franchisor has the right to require any holder of a legal or beneficial interest in Franchisee (and any member of their immediate families or households), and any officer, director, executive, manager or member of the professional staff and all employees of Franchisee to execute a nondisclosure and non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 2, upon execution of this Agreement or prior to each such person's affiliation with Franchisee Upon Franchisor's request, Franchisee shall provide Franchisor with copies of all nondisclosure and non-competition agreements signed pursuant to this Section Such agreements shall remain on file at the offices of Franchisee and are subject to audit or review as otherwise set forth herein Franchisor shall be a third party beneficiary with the right to enforce covenants contained in such agreements

7 5 Reasonableness of Restrictions

Franchisee acknowledges that the restrictive covenants contained in this Section are essential elements of this Agreement and that without their inclusion, Franchisor would not have entered into this Agreement Franchisee acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisor, the System and the Marks and Franchisee waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable

8. TRAINING AND ASSISTANCE

8 1 Initial Training

Franchisor shall make an initial training program available to one (1) Designated Manager and up to two other team members Approximately four (4) weeks prior to the opening of the Franchised Business, the Designated Manager must attend and successfully complete, to Franchisor's satisfaction, an initial training program pertaining to the commercial cleaning service process and administration of the Franchised Business including, but not limited to, sales and marketing methods, financial controls, maintenance of quality standards, customer service techniques, record keeping, and reporting procedures and other operational issues Franchisor shall conduct the initial training program at its headquarters or at another designated location Franchisor shall not charge tuition or any other fees, as it is included as part of the Franchise fee however, even though Franchisor is not charging Franchisee for said training, all costs and incurred by Franchisee in attending such program including, but not limited to, travel costs, room and board expenses and employees' salaries, shall be the sole responsibility of Franchisee Franchisee shall be responsible for training its management and other employees

8 2 Opening Assistance

In conjunction with the beginning of operation of the Franchised Business, Franchisor shall make available to Franchisee, at Franchisor's expense, one (1) of Franchisor's representatives, experienced in the System, for the purpose of familiarizing Franchisee with CCS Cleans techniques and for the purpose of providing general assistance and guidance in connection with the opening of the Franchised Business This assistance is estimated to last one (1) week If Franchisee requests additional assistance with respect to the opening or continued operation of the Franchised Business, and should Franchisor deem it necessary Franchisee shall pay Franchisor's then-current standard rates, plus expenses, for such additional assistance

8 3 Failure to Complete Initial Training Program

If Franchisor determines that the Designated Manager is unable to satisfactorily complete the training program described above, Franchisor has the right to terminate this Agreement If this Agreement is terminated pursuant to this Section 8 3, Franchisor shall return to Franchisee one hundred (100%) of the Franchise Fee paid by Franchisee upon Franchisor's receipt of a general release, the same as or similar to the General Release attached as Exhibit 1, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities) If Franchisee is a business entity and the Designated Manager fails to complete the initial training program to Franchisor's reasonable satisfaction, Franchisee may be permitted to select a substitute manager and such substitute manager must complete the initial training to Franchisor's satisfaction

8 4 New Designated Manager

After beginning operations, should Franchisee name a new Designated Manager, Franchisee must notify Franchisor of the identity of the new Designated Manager and the new Designated Manager must complete the initial training program to Franchisor's

satisfaction within thirty (30) days of being named The new Designated Manager may attend the initial training program without charge, provided that Franchisor has the right to require Franchisee to pay the costs of training if Franchisor determines that manager changes are excessive or caused by poor hiring practices Franchisee shall be responsible for all travel costs, room and board and employees' salaries incurred in connection with the new Designated Manager's attendance at such training

8 5 Ongoing Training

From time to time, Franchisor may provide and if it does, has the right to require that the Designated Manager attend ongoing training programs or seminars during the term of this Agreement Franchisor shall not charge a fee for any mandatory ongoing training Franchisee shall be responsible for all travel costs, room and board and employees' salaries incurred in connection with the Designated Manager's attendance at such training This training can be conducted online if available and Franchisor will never request Franchisee to travel for additional training more than once in a 24 month period

9. CONFIDENTIAL OPERATIONS MANUAL

9.1. Loan by Franchisor

While this Agreement is in effect, Franchisor shall lend to Franchisee one (1) copy of the Confidential Operations Manual or grant Franchisee access to an electronic copy of the Confidential Operations Manual Franchisee shall conduct the Franchised Business in strict accordance with the provisions set forth in the Confidential Operations Manual The Confidential Operations Manual may consist of one (1) or more separate manuals and other materials as designated by Franchisor and may be in written or electronic form The Confidential Operations Manual shall, at all times, remain the sole property of Franchisor and shall promptly be returned to Franchisor upon expiration or termination of this Agreement

9.2 Revisions

Franchisor has the right to add to or otherwise modify the Confidential Operations Manual from time to time to reflect changes in the specifications, standards, operating procedures and rules prescribed by Franchisor, provided, however, that no such addition or modification shall materially alter Franchisee's fundamental status and rights under this Agreement Franchisor may make such additions or modifications without prior notice to Franchisee Franchisee shall immediately, upon notice, adopt any such changes and shall ensure that its copy of the Confidential Operations Manual is up-to-date at all times If a dispute as to the contents of the Confidential Operations Manual arises, the terms of the master copy of the Confidential Operations Manual maintained by Franchisor at Franchisor's headquarters shall be controlling

9 3. Confidentiality

The Confidential Operations Manual contains Trade Secrets and other Confidential Information of Franchisor and its contents shall be kept confidential by Franchisee both during the term of the Franchise and subsequent to the expiration and non-renewal or termination of this Agreement Franchisee shall at all times ensurethat its copy of the

Confidential Operations Manual is available at the Approved Location in a current and up-to-date manner If the Confidential Operations Manual is in paper form or stored on computer-readable media, Franchisee shall maintain the Confidential Operations Manual in a secure manner at the Approved Location, if the Confidential Operations Manual is in electronic form, Franchisee shall maintain the Confidential Operations Manual in a password-protected file Franchisee shall only grant authorized personnel, as defined in the Confidential Operations Manual, access to the Confidential Operations Manual or any key, combination or passwords needed for access to the Confidential Operations Manual Franchisee shall not disclose, duplicate or otherwise use any portion of the Confidential Operations Manual in an unauthorized manner

10. FRANCHISE SYSTEM

10 1. Uniformity

Franchisee shall strictly comply, and shall cause the Franchised Business and its employees to strictly comply, with all requirements, specifications, standards, operating procedures and rules set forth in this Agreement, the Confidential Operations Manual or other communications supplied to Franchisee by Franchisor

10 2 Modification of the System

Franchisor has the right to change or modify the System from time to time including, without limitation, the adoption and use of new or modified Marks or copyrighted materials, and computer hardware, software, equipment, inventory, supplies or sales and marketing techniques Franchisee shall accept and use any such changes in, or additions to, the System as if they were a part of this Agreement as of the Effective Date Franchisee shall make such expenditures as such changes, additions or modifications in the System may reasonably require, provided, however, Franchisee shall not be required to implement or conform to any such changes, additions or modifications if the cost to do so would exceed (a) ONE DOLLAR ($1 00) during the first (1st) year of the term of this Agreement, (b) TWENTY FIVE THOUSAND DOLLARS ($25,000 00) in the aggregate during the initial term of this Agreement (which amounts may be increased consistent with increases to the Consumer Price Index, [U S City Average, all items, 1982-84=100], as published by the United States Department of Labor, Bureau of Labor Statistics ["CPI-U"]), or (c) ONE DOLLAR ($1 00) during the final year of the term of this Agreement if Franchisee provides written notice of its intention not to renew the Franchise Franchisee will not have to expend up to $25,000 00 during any twelve (12) month period Any required expenditure for changes or upgrades to the System shall be in addition to expenditures for repairs and maintenance as required in Section 13 2 Notwithstanding the foregoing, Franchisee shall be required to make any and all improvements or modifications whenever such are required by law, regulation, agency decision or court order

10 3 Variance

Franchisor has the right to vary standards or specifications for any franchisee based upon that particular franchisee's qualifications, the peculiarities of the particular site or circumstances, the demographics of the trade area, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of any particular CCS Cleans Business Franchisor shall not be required to disclose or grant to Franchisee a like or similar variance hereunder

11. ADVERTISING AND PROMOTIONAL ACTIVITIES

11 1 Market Introduction Advertising

Prior to, and/or during a period of approximately three (3) months following the initial opening of the Franchised Business, Franchisee shall spend an amount specified by Franchisor on local advertisement and promotion of the initial opening ("Market Introduction Advertising") This amount will be between $5,000 and $7,000 during the first three months of opening the franchised business Franchisor may determine and specify an appropriate minimum amount above these which Franchisee may opt to expend on Market Introduction Advertising based upon Franchisor's general assessment of the area surrounding the Franchised Business and taking into account other potentially relevant factors, such as prevailing costs of advertising in the area, the time of year of opening and other similar factors Further, Franchisor shall specify the time at which Franchisee shall conduct Market Introduction Advertising Prior to their use, all materials to be used in Market Introduction Advertising must be approved by Franchisor through the process set forth in Section 11 2 2 Market Introduction Advertising expenditures shall be in addition to any Local Advertising expenditures and Marketing Fund Contributions

11 2 Local Advertising

11 2 1 Franchisee shall continuously promote the Franchised Business Every month, Franchisee shall spend four percent (4%) of its monthly Gross Revenue on advertising, promotions and public relations within the immediate locality surrounding the Franchised Business ("Local Advertising") Such expenditures shall be made directly by Franchisee, subject to the prior approval and direction of Franchisor Franchisor shall provide general guidelines to Franchisee for conducting Local Advertising Within thirty (30) days after the end of each month, Franchisee shall furnish to Franchisor an accurate accounting of the expenditures on Local Advertising for the preceding month

11 2 2 Franchisee shall submit to Franchisor, for its prior approval, all advertising and promotional materials to be used by Franchisee including, but not limited to, television ads, radio ads, ad copy, coupons, flyers, scripts and direct mail Franchisor shall use reasonable efforts to provide notice of approval or disapproval within twenty (20) days from the date all requested material is received by Franchisor If Franchisor does not approve submitted materials by the end of such twenty (20) day period, such materials shall be deemed to have received the required approval Franchisee shall not use any marketing or promotional material prior to approval by Franchisor The submission of advertising materials to Franchisor for approval shall not affect Franchisee's right to determine the prices at which Franchisee sells products

11 3 Cooperative Advertising

Franchisor has the right, but not the obligation, to create a Cooperative Advertising program for the benefit of CCS Cleans Businesses located within a particular region Franchisor has the right to collect and designate all or a portion of the Local Advertising to payments or contributions to Franchisor for the funding of a Cooperative Advertising program Franchisor has the right to determine the composition of all geographic territories and market areas for the implementation of each Cooperative Advertising program and to require that Franchisee participate in such Cooperative Advertising programs when established within Franchisee's region If a Cooperative Advertising program is implemented in a particular region,

Franchisor has the right to administer the Cooperative Advertising Program or to establish an advertising council of franchisees to self-administer the Cooperative Advertising program Franchisee shall participate in the council according to the rules and procedures established by the council and Franchisee shall abide by the council's decisions Should Franchisor establish a Cooperative Advertising program or programs with or without an advertising council, Franchisor has the right, but not the obligation, to change, dissolve or merge such program(s) and/or council(s) at any time

11 4 Marketing Fund

11 4 1 Franchisor has established and administers a System-wide marketing, advertising and promotion fund to assist in Franchisor's regional and national advertising ("Marketing Fund") which requires a monthly contribution of 2% of Monthly Gross Revenue Franchisee shall be required to contribute monthly to the Marketing Fund in an amount specified by Franchisor and which Franchisor may adjust from time to time ("Marketing Fund Contribution") Marketing Fund Contributions shall be made at the time and in the manner provided for Royalty Fees in Section 3 2 Franchisor shall notify Franchisee at least thirty (30) days before changing Marketing Fund Contribution requirements The Marketing Fund shall be maintained and administered by Franchisor or its designee as follows

11 4 1 1 Franchisor shall oversee all marketing programs, with sole control over creative concepts, materials and media used in such programs, and the placement and allocation thereof Franchisor does not warrant that any particular franchisee will benefit directly or *pro rata* from expenditures by the Marketing Fund The program(s) may be local, regional or System-wide Franchisor does not warrant the success or effectiveness of any particular marketing program

11 4 1 2 Franchisee's Marketing Fund Contributions may be used to meet the costs of, or to reimburse Franchisor for its costs of, producing, maintaining, administering and directing consumer advertising (including, without limitation, the cost of preparing and conducting television, radio, Internet, magazine, newspaper, and direct mail advertising campaigns and other public relations activities, developing and/or hosting an Internet web page or site and similar activities, employing advertising agencies to assist therein, and providing promotional brochures and other marketing materials to franchisees) All Marketing Fund Contributions shall be maintained in a separate account from the monies of Franchisor and shall not be used to defray any of Franchisor's general operating expenses, except for such reasonable costs and expenses, if any, that Franchisor may incur in activities reasonably related to the administration of the Marketing Fund

11 4 1 3 Franchisor shall endeavor to spend all Marketing Fund Contributions on marketing programs and promotions during Franchisor's fiscal year within which such contributions are made If excess amounts remain in any Marketing Fund at the end of such fiscal year, all expenditures in the following fiscal year(s) shall be made first out of such excess amounts, including any interest or other earnings of the Marketing Fund, and next out of prior year contributions and then out of current contributions

11 4 1 4 Although Franchisor intends the Marketing Fund to be of perpetual duration, Franchisor has the right to terminate the Marketing Fund at any time The Marketing Fund shall not be terminated, however, until all Marketing Fund Contributions have been expended for advertising and promotional purposes or returned to Franchisee and other

franchisees on a *pro rata* basis based on total Marketing Fund Contributions made in the aggregate by each franchisee

11 4 1 5 Each CCS Cleans Business operated by Franchisor or an Affiliate shall make Marketing Fund Contributions at the same rate as CCS Cleans Business franchisees

11 4 1 6 An accounting of the operation of the Marketing Fund shall be prepared annually and shall be available to Franchisee upon request Franchisor retains the right to have the Marketing Fund reviewed or audited and reported on, at the expense of the Marketing Fund, by an independent certified public accountant selected by Franchisor

11 4 1 7 Franchisee acknowledges that the Marketing Fund is not a trust and Franchisor assumes no fiduciary duty in administering the Marketing Fund Internet Advertising

11 4 1 8 Franchisee may not establish a presence on, or market using, the Internet in connection with the Franchised Business without Franchisor's prior written consent Franchisor has established and maintains an Internet website at the uniform resource locator www ccscleansup com that provides information about the System and the products that Franchisor and its franchisees provide Franchisor may (but is not required to) include at the CCS Cleans website an intranet section or an interior page containing information about the Franchised Business If Franchisor includes such information on the CCS Cleans website, Franchisor has the right to require Franchisee to prepare all or a portion of the section or page, at Franchisee's expense, using a template that Franchisor provides All such information shall be subject to Franchisor's approval prior to posting Franchisor retains the sole right to advertise and sell the products and services offered by CCS Cleans and to or use the Marks on the Internet, including the use of websites, domain names, uniform resource locators, keywords, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce and co- branding arrangements Franchisee may be requested to provide content for Franchisor's Internet marketing and shall be required to follow Franchisor's intranet and Internet usage rules, policies and requirements Franchisor retains the sole right to approve any linking to, or other use of, the CCS Cleans website

11 5 Internet, Website and Social Media Marketing

Franchisee may not establish a presence on, or market using, the Internet including but not limited to any website or Social Media (Facebook, LinkedIn, Twitter, YouTube, blogs, and other online social networks, wikis, forums, content sharing communities, etc) without Franchisor's prior written consent Franchisor has established and maintains the CCS Cleans Website at the uniform resource locator www ccscleansup com that provides information about the System and the products and services that Franchisor and its franchisees provide Franchisor will include at the CCS Cleans Website an intranet section or an interior page containing information about your location Franchisor may require Franchisee to prepare all or a portion of the section or page, at Franchisee's expense All such information shall be subject to Franchisor's approval prior to posting

12. ACCOUNTING, RECORDS AND REPORTING OBLIGATIONS

12.1 Records

During the term of this Agreement, Franchisee shall maintain full, complete and accurate books, records and accounts in accordance with the standard accounting system prescribed by Franchisor in the Confidential Operations Manual or otherwise in writing Franchisee shall retain during the term of this Agreement, and for three (3) years thereafter, all books and records related to the Franchised Business including, without limitation, purchase orders, invoices, payroll records, sales tax records, state and federal tax returns, bank statements, cancelled checks, deposit receipts, cash receipts and disbursement journals, general ledgers, and any other financial records designated by Franchisor or required by law

12 2 Gross Revenue Reports

Franchisee shall maintain an accurate record of daily Gross Revenue and shall deliver to Franchisor via facsimile transmission, email, or the intranet, a signed and verified statement of monthly Gross Revenue ("Gross Revenue Report") on the fifth (5th) day of each month for the previous month in a form that Franchisor approves or provides in the Confidential Operations Manual The Gross Revenue Report for the preceding month must be provided to Franchisor by the close of business on the fifth (5th) day of each month as provided in Section 3 2 If the 15th day of a month is a Saturday, Sunday or federal holiday, the report shall be due by the end of the next business day If the Franchisee fails to submit the Gross Revenue report in a timely manner the franchisor may assess a penalty of $75 per day for each day that the report is late

12.3 Financial Statements

Franchisee shall supply to Franchisor on or before the fifteenth day (15th) day of each month following the end of a quarter, in a form approved by Franchisor, a balance sheet as of the end of the last day of the preceding month and an income statement for the preceding month and the fiscal year-to-date Such financial statements shall be prepared in accordance with GAAP, applied on a consistent basis and using a cash basis As required by Franchisor, such financial statements shall be reviewed or audited by a certified public accountant Franchisee shall submit to Franchisor such other periodic reports in the manner and at the time specified in the Confidential Operations Manual or otherwise in writing

12 4. Other Reports

Franchisee shall submit to Franchisor copies of all state sales tax returns that are required to be filed with the appropriate governmental agency and such other records as Franchisor may reasonably request from time to time or as specified in the Confidential Operations Manual Franchisor shall have the right to release financial and operational information relating to the Franchised Business to Franchisor's lenders or prospective lenders Franchisee shall certify as true and correct all reports to be submitted pursuant to this Agreement

12 5 Computer Equipment

Franchisor reserves the right to require Franchisee to purchase, install and use computer and point- of-sale systems consisting of hardware and software in accordance with Franchisor's specifications Franchisor shall have full access to all of Franchisee's computer and point-of-sale data and systems and all related information by means of direct access, either in person or

by telephone, modem or Internet to permit Franchisor to verify Franchisee's compliance with its obligations under this Agreement

12 6 Right to Inspect

Franchisor or its designee has the right, during normal business hours and with at least 24 hours advance written notice to examine copy and audit the books, records and tax returns of Franchisee If the audit or any other inspection should reveal that any payments to Franchisor have been underpaid, then Franchisee shall immediately pay to Franchisor the amount of the underpayment plus interest from the date such amount was due until paid at the rate of eighteen percent (18%) per annum (or the highest rate allowed by the law of the state where Franchisee is located, whichever is lower) If the audit or any other inspection discloses an underpayment of two percent (2%) or more of the amount due for any period covered by the audit, Franchisee shall, in addition, reimburse Franchisor for any and all costs and expenses connected with the inspection (including, without limitation, travel expenses and reasonable accounting and attorneys' fees) The foregoing remedies shall be in addition to any other remedies Franchisor may have

12 7 Release of Records

At Franchisor's request, Franchisee shall authorize and direct any third parties, including accounting and legal professionals, to release to Franchisor all accounting and financial records arising from or relating to the operation of the Franchised Business including, but not limited to, records evidencing Gross Revenue, profits, losses, income, tax liabilities, tax payments, revenues, expenses, and any correspondence, notes, memoranda, audits, business records, or internal accounts within said third parties' possession, custody or control, and to continue to release such records to Franchisor on a monthly basis for the length of the unexpired term of this Agreement or until such time as Franchisor withdraws its request. Franchisee shall execute all documents necessary to facilitate the release of records referenced herein to Franchisor

13. STANDARDS OF OPERATION

13.1 Authorized Products, Services and Suppliers

13 1 1 Franchisee acknowledges that the reputation and goodwill of the System is based in large part on offering high quality products to its customers Accordingly, Franchisee shall provide or offer for sale or use at the Franchised Business only those items that Franchisor from time to time approves (and which are not thereafter disapproved) and that comply with Franchisor's specifications and quality standards Franchisee shall not offer for sale, sell or provide through the Franchised Business or from the Approved Location any products that Franchisor has not approved

13 1 2 Franchisor shall provide Franchisee, in the Confidential Operations Manual or other written or electronic form, with a list of specifications for some or all of the supplies, signs, furniture, fixtures, inventory, equipment and other approved or specified items and services, and Franchisor may from time to time issue revisions to such list If Franchisee desires to utilize any products or services that Franchisor has not approved (for products and services that require supplier approval), Franchisee shall first send Franchisor sufficient information, specifications and samples for Franchisor to determine whether the service or product complies with its standards and specifications Franchisor will decide within a

reasonable time (usually thirty [30] days) after receiving the required information whether Franchisee may purchase or lease such items or services or from such supplier Approval of a supplier may be conditioned on the supplier's ability to provide sufficient quantity of product, quality of products or services at competitive prices, production and delivery capability, and dependability and general reputation Nothing in this Section shall be construed to require Franchisor to approve any particular supplier, or to require Franchisor to make available to prospective suppliers, standards and specifications that Franchisor deems confidential

13 1 3 Notwithstanding anything contrary in this Agreement, Franchisor has the right to review from time to time its approval of any items or suppliers Franchisor may revoke its approval of any item, service or supplier at any time by notifying Franchisee and/or the supplier Franchisee shall, at its own expense, promptly cease using, selling or providing any items or services disapproved by Franchisor and shall promptly cease purchasing from suppliers disapproved by Franchisor

13 1 4 Franchisor has the right to designate certain products and services, not otherwise authorized for general use as part of the System, to be offered locally or regionally based upon such factors as Franchisor determines including, but not limited to, franchisee qualifications, test marketing and regional or local differences Franchisor has the right to give its consent to one (1) or more franchisees to provide certain products or services not authorized for general use as part of the System

13 2 Appearance and Condition of the Franchised Business

Franchisee shall maintain the Franchised Business, the Franchised Business Facility, equipment and signage in "like new" condition, and shall repair or replace equipment, fixtures, supplies, inventory and signage as necessary to comply with the health and safety standards and specifications of Franchisor and Franchisee's lessor and any applicable laws or regulations The expense of such maintenance shall be borne by Franchisee and shall be in addition to any required System modifications, as described in Section 10 2

13 3 Ownership and Management

The Franchised Business shall, at all times, be under the direct supervision of Franchisee The Designated Manager shall devote sufficient efforts to the management of the day-to-day operation of the Franchised Business, but not less than thirty-five (35) hours per week, excluding vacation, sick leave and similar absences Franchisee shall keep Franchisor informed, in writing, at all times of the identity of its Designated Manager Franchisee must not engage in any business or other activities that will conflict with its obligations under this Agreement

13 4 Days of Operation

Franchisee shall keep the Franchised Business open for business during normal business hours on the days specified in the Confidential Operations Manual

13 5 Licenses and Permits

Franchisee shall secure and maintain in force all required licenses, permits and certificates necessary for the operation of the Franchised Business and shall operate the

Franchised Business in full compliance with all applicable laws, ordinances and regulations Franchisor makes no representation to Franchisee with regard to any legal requirements that Franchisee must satisfy or comply with in connection with the operation of the Franchised Business Franchisee shall be solely responsible for investigating and complying with all such laws, ordinances and regulations with regard to the operation of the Franchised Business

13 6 Notification of Proceedings

Franchisee shall notify Franchisor in writing of the receipt of a notice of demand or threatened claim of liability of, or damages against or involving, Franchisee or the Franchised Business not more than five (5) days after Franchisee's receipts of such notice Franchisee shall notify Franchisor in writing of the commencement of any action, suit or proceeding involving Franchisee or the Franchised Business, and of the issuance of any order, writ, injunction, judgment, award or decree which may affect the operation or financial condition of the Franchised Business not more than five (5) days after notice of such commencement or issuance Franchisee shall deliver to Franchisor not more than five (5) days after Franchisee's receipt thereof, a copy of any inspection report, warning, certificate or rating by any governmental agency relating to any health or safety law, rule or regulation that reflects Franchisee's failure to meet and maintain the highest applicable rating or Franchisee's noncompliance or less than full compliance with any applicable law, rule or regulation

13 7 Compliance with Good Business Practices

Franchisee acknowledges that the quality of customer service, and every detail of appearance and demeanor of Franchisee and its employees, is material to this Agreement and the relationship created and licenses granted hereby Therefore, Franchisee shall endeavor to maintain high standards of quality and service in the operation of the Franchised Business Franchisee shall at all times give prompt, courteous and efficient service to customers of the Franchised Business The Franchised Business shall in all dealings with its customers, vendors and the general public, adhere to the highest standards of honesty, fair dealing and ethical conduct If Franchisor deems that Franchisee did not fairly handle a customer complaint, Franchisor has the right to intervene and satisfy the customer Franchisor has the right to terminate this Agreement for violation of this Section Franchisee shall reimburse Franchisor for all costs incurred by Franchisor in servicing a customer of the Franchised Business pursuant to this Section

13 8 Uniforms

Franchisee shall abide by any uniform or dress code requirements stated in the Confidential Operations Manual or otherwise Uniforms, must be purchased from a supplier who meets Franchisor's specifications and quality standards for uniforms

13 9. E-Mail

Franchisee shall, at all times and at Franchisee's expense, maintain an e-mail address and account for communicating with Franchisor Franchisee may change its e-mail address by giving written notice of such change of address to Franchisor

13 10 Best Efforts

Franchisee shall use its best efforts to promote and increase the sales and recognition of services offered through the Franchised Business Franchisee shall require all of Franchisee's employees, managers, officers, agents and representatives to make a good faith effort to enhance and improve the System and the sales of all products and services provided as part of the System

14. INSURANCE

14 1 Types and Amounts of Coverage

14 1 1 At its sole expense, Franchisee shall procure within sixty (60) days of the Effective Date, and maintain in full force and effect during the term of this Agreement, the types of insurance listed below All policies (except any workers' compensation insurance) shall expressly name Franchisor as an additional insured or loss payee and all shall contain a waiver of all subrogation rights against Franchisor and its successors and assigns In addition to any other insurance that may be required by applicable law, or by lender or lessor, Franchisee shall procure

14 1 1 1 "all risk" property insurance coverage on all assets including inventory, furniture, fixtures, equipment, supplies and other property used in the operation of the Franchised Business Franchisee's property insurance policy shall include coverage for fire, vandalism and malicious mischief and must have coverage limits of at least full replacement cost,

14 1 1 2 workers' compensation insurance that complies with the statutory requirements of the state in which the Franchised Business is located and employer liability coverage with a minimum limit of ONE HUNDRED THOUSAND DOLLARS ($100,000 00) or, if higher, the statutory minimum limit as required by state law,

14 1 1 3 comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by, or occurring in conjunction with, the operation of the Franchised Business, or Franchisee's conduct of business pursuant to this Agreement, with a minimum liability coverage of TWO MILLION DOLLARS ($2,000,000 00) per occurrence or, if higher, the statutory minimum limit required by state law,

14 1 1 4 business interruption insurance in amounts and with terms acceptable to Franchisor,

14 1 1 5 a surety bond in the amount of $50,000 to cover theft by an employee or agent who steals a client's property while providing cleaning services

14 1 1 6 automobile liability insurance for owned or hired vehicles, with a combined single limit of at least ONE MILLION DOLLARS ($1,000,000 00) or, if higher, the statutory minimum limit required by state law

14 2. Future Increases

Franchisor has the right to reasonably increase the minimum liability protection requirement annually and require different or additional insurance coverage(s) to reflect inflation, changes in standards of liability, future damage awards or other relevant changes in circumstances

14.3. Carrier Standards

Such policies shall be written by an insurance company licensed in the state in which Franchisee operates and having at least an "A" Rating Classification as indicated in the latest issue of A M Best's Key Rating Guide Although A M Best groups "A" and "A-" in the same classification, Franchisor demands an "A" rating

14 4 Evidence of Coverage

Franchisee's obligation to obtain and maintain the foregoing policies shall not be limited in any way by reason of any insurance that may be maintained by Franchisor, nor shall Franchisee's performance of this obligation relieve it of liability under the indemnity provisions set forth in Section 20 3 Franchisee shall provide, annually, certificates of insurance showing compliance with the foregoing requirements Such certificates shall state that said policy or policies shall not be canceled or altered without at least thirty (30) days' prior written notice to Franchisor and shall reflect proof of payment of premiums

14.5 Failure to Maintain Coverage

Should Franchisee not procure and maintain insurance coverage as required by this Agreement, Franchisor has the right (but not the obligation) to immediately procure such insurance coverage and to charge the premiums to Franchisee, which charges, together with a reasonable fee for expenses incurred by Franchisor in connection with such procurement, shall be payable by Franchisee immediately upon notice

15. DEFAULT AND TERMINATION

15 1 Termination by Franchisee

If Franchisee is in full compliance with all of the terms of this Agreement and Franchisor materially breaches this Agreement and fails to commence reasonable efforts to cure such breach within thirty (30) days after receiving written notice identifying the claimed breach, Franchisee may elect to terminate this Agreement unless the breach cannot reasonably be cured within such thirty (30) days If the breach cannot reasonably be cured in such thirty (30) days, Franchisee may elect to terminate this Agreement only if Franchisor does not promptly undertake and continue efforts to cure such material breach within a reasonable period of time and furnish Franchisee reasonable proof of such efforts

15 2 Termination by Franchisor

15 2 1 Franchisor has the right to terminate this Agreement, without any opportunity to cure by Franchisee, if Franchisee

15 2 1 1 made any material misrepresentation or omission in its application for the Franchise or otherwise to Franchisor in the course of entering into this Agreement,

15 2 1 2 is convicted of or pleads no contest to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisor, Franchisee or the Franchised Business,

15 2 1 3 after notice to cure, fails to refrain from activities, behavior or conduct likely to adversely affect the reputation of Franchisor, Franchisee or the Franchised Business,

15 2 1 4 discloses, duplicates or otherwise uses in an unauthorized manner any portion of the Confidential Operations Manual, Trade Secrets or any other Confidential Information,

15 2 1 5 abandons, fails or refuses to actively operate the Franchised Business for five (5) or more consecutive days (unless the Franchised Business has not been operational for a purpose approved by Franchisor), or, if first approved by Franchisor, fails to promptly relocate the Franchised Business following the expiration or termination of the lease for the Approved Location, the destruction or condemnation of the Approved Location or any other event rendering the Approved Location unusable,

15 2 1 6 surrenders or transfers control of the operation of the Franchised Business without Franchisor's approval, makes or attempts to make an unauthorized direct or indirect assignment of the Franchise or an ownership interest in Franchisee, or fails or refuses to assign the Franchise or the interest in Franchisee of a deceased or incapacitated owner thereof as herein required,

15 2 1 7 fails to maintain the Franchised Business under the primary supervision of a Designated Manager during the ninety (90) days following the death or Incapacity of Franchisee or any holder of a legal or beneficial interest in Franchisee pursuant to Section 18 6,

15 2 1 8 submits to Franchisor on two (2) or more separate occasions at any time during the term of the Franchise any reports or other data, information or supporting records that understate any Royalty Fee or any other fees owed to Franchisor by more than five percent (5%) for any accounting period and Franchisee is unable to demonstrate that such understatements resulted from inadvertent error,

15 2 1 9 is adjudicated as bankrupt, becomes insolvent, commits any affirmative act of insolvency, or files any action or petition of insolvency, if a receiver of its property or any part thereof is appointed by a court, if it makes a general assignment for the benefit of its creditors, if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless *supersedeas* bond is filed), if execution is levied against Franchisee's business or property, if a suit to foreclose any lien or mortgage against its Approved Location or equipment is instituted against Franchisee and not dismissed within thirty (30) days or is not in the process of being dismissed,

15 2 1 10 misuses or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks,

15 2 1 11 fails on two (2) or more separate occasions within any period of twelve (12) consecutive months to submit reports or other information or supporting records

when due, to pay any Royalty Fee, Marketing Fund Contribution, amounts due for purchases from Franchisor and any Affiliate, or other payment when due to Franchisor or any Affiliate, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee,

15 2 1 12 violates on two (2) or more occasions any health or safety law, ordinance or regulation, or operates the Franchised Business in a manner that presents a health or safety hazard to its customers, employees or the public,

15 2 1 13 fails to comply with any applicable law or regulation within ten (10) days after being given notice of noncompliance,

15 2 1 14 breaches this Agreement and/or fails to comply with mandatory specifications, customer service standards or operating procedures prescribed in the Confidential Operations Manual on two (2) or more separate occasions within any period of twelve (12) consecutive months, whether or not previous breaches or failures are cured, or

15 2 2 Except as otherwise provided in Section 15 2 1, Franchisor has the right to terminate this Agreement for the following breaches and defaults by giving notice of such termination stating the nature of the default, provided, however, that Franchisee may avoid termination by curing such default or failure (or by providing proof acceptable to Franchisor that Franchisee has made all reasonable efforts to cure such default or failure and shall continue to make all reasonable efforts to cure until a cure is effected if such default or failure cannot reasonably be cured before the effective date of the termination) within the specified period

15 2 2 1 within three (3) days of receiving notice of Franchisee's failure to pay any amounts due to Franchisor,

15 2 2 2 within ten (10) days of receiving notice of Franchisee's failure to maintain insurance as specified in Section 14 of this Agreement, or

15 2 2 3 within thirty (30) days of receiving notice of any other default by Franchisee or upon Franchisee's failure to comply with any mandatory specification, standard or operating procedure prescribed in the Confidential Operations Manual or otherwise prescribed in writing

15.3 Reinstatement and Extension

If provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation or non-renewal other than in accordance with applicable law, Franchisor may reinstate or extend the term of this Agreement for the purpose of complying with applicable law by submitting a written notice to Franchisee without waiving any of Franchisor's rights under this Agreement

15 4 Right of Franchisor to Discontinue Services to Franchisee

If Franchisee is in breach of any obligation under this Agreement, and Franchisor delivers to Franchisee a notice of termination pursuant to Section 15 2 2, Franchisor has the right to suspend its performance of any of its obligations under this Agreement including, without limitation, the

sale or supply of any products or services for which Franchisor is an Approved Supplier to Franchisee, until such time as Franchisee corrects the breach

15.5. Right of Franchisor to Operate Franchised Business

Following the delivery of a notice of termination pursuant to Section 15 2 2, if necessary in Franchisor's discretion, Franchisor shall have the right, but not the obligation, to assume the operation of the Franchised Business until such time as Franchisee corrects the breach Franchisor may charge a management fee as stated in the Confidential Operations Manual from time to time, currently equal to SIX HUNDRED DOLLARS ($600 00) per day, and Franchisor shall be entitled to reimbursement of any expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchised Business Should Franchisor elect to assume the operation of the Franchised Business on a temporary basis, Franchisor shall have no responsibility or liability for the obligations, debts or payments under the lease for the Approved Location (if any) or otherwise

16. RIGHTS AND DUTIES UPON EXPIRATION OR TERMINATION

16.1. Actions to be Taken

16 1 1 Except as otherwise provided herein, upon termination or expiration, this Agreement and all rights granted hereunder to Franchisee shall terminate and Franchisee shall

16 1 1 1 immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor,

16 1 1 2 cease to use the Trade Secrets or other Confidential Information, the System and the Marks including, without limitation, all signs, slogans, symbols, logos, advertising materials, stationery, forms and any other items which display or are associated with the Marks

16 1 1 3 upon demand by Franchisor, immediately assign (or, if an assignment is prohibited, sublease for the full remaining term, and on the same terms and conditions as Franchisee's lease) its interest in the lease then in effect for the Approved Location to Franchisor and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration ofthis Agreement, and Franchisor has the right to pay rent and other expenses directly to the party to whom such payment is ultimately due,

16 1 1 4 take such action as may be necessary to cancel or assign to Franchisor, at Franchisor's option, any assumed name or equivalent registration filed with state, city or county authorities which contains the name "CCS Franchising, LLC" or any other Mark, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement,

16 1 1 5 pay all sums owing to Franchisor and any Affiliate In the event of termination for any default of Franchisee, such sums shall include, but not be limited to, all damages, costs and expenses, including reasonable attorneys' fees with respect to litigation, arbitration, appellate or bankruptcy proceedings, unpaid Royalty Fees, loss of future Royalty Fee

payments incurred by Franchisor as a result of any early termination of this Agreement, and any other amounts due to Franchisor or any Affiliate,

16 1 1 6 pay to Franchisor all costs and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of the Franchise in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement,

16 1 1 7 immediately return to Franchisor the Confidential Operations Manual, Trade Secrets and all other Confidential Information including records, files, instructions, brochures, agreements, disclosure statements and any and all other materials provided by Franchisor to Franchisee relating to the operation of the Franchised Business (all of which are acknowledged to be Franchisor's property),

16 1 1 8 assign all telephone listings and numbers for the Franchised Business to Franchisor and shall notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone numbers or facsimile numbers associated with the Marks in any regular, classified or other telephone directory listing and shall authorize transfer of same to or at the direction of Franchisor,

16 1 1 9 turn over all client account information, and

16 1 1 10 comply with all other applicable provisions of this Agreement

16 2 Post-Termination Covenant Not to Compete

16 2 1 Franchisee acknowledges that the restrictive covenants contained in this Section and in Section 7 are fair and reasonable and are justifiably required for purposes including, but not limited to, the following

16 2 1 1 to protect the Trade Secrets and other Confidential Information of Franchisor,

16 2 1 2 to induce Franchisor to grant a Franchise to Franchisee, and

16 2 1 3 to protect Franchisor against its costs in training Franchisee and its officers, directors, executives, professional staff and Designated Managers

16 2 2 Except as otherwise approved in writing by Franchisor, neither Franchisee, nor any holder of a legal or beneficial interest in Franchisee, nor any officer, director, executive, manager or member of the professional staff of Franchisee, shall, for a period of six (6) months after the expiration or termination of this Agreement, regardless of the cause of termination, either directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity

16 2 2 1 own an interest in, manage, operate or provide CCS Cleans services through a Competitive Business located or operating (a) within a ten (10) mile radius of the Approved Location or within the Territory (whichever is greater), or (b) within a ten (10)

mile radius of the location of any other CCS Cleans Business in existence at the time of termination or expiration, or

16 2 2 2 solicit or otherwise attempt to induce or influence any customer, employee or other business associate of Franchisor to terminate or modify his, her or its business relationship with Franchisor or to compete against Franchisor

16 2 3 In furtherance of this Section, Franchisor has the right to require certain individuals to execute standard form nondisclosure or non-competition agreements in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 2

16 2 4 If for whatever reason, either the above area or time frame covered by the Nondisclosure and Non-Competition Agreement is deemed unreasonable by a court of law, then and only in such an event shall such area and/or its time frame be reduced accordingly by the court The rulings by the court concerning the area or time frame or any other judicial interpretation shall not affect the rest and remainder of such restrictive covenants

16.3 Unfair Competition

If Franchisee operates 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, that is likely to cause confusion, mistake or deception, or that is likely to dilute Franchisor's rights in the Marks Franchisee shall not utilize any designation of origin, description or representation that suggests or represents an association or connection with Franchisor This Section is not intended as an approval of Franchisee's right to operate other businesses and in no way is it intended to contradict Sections 7, 17 1 or 17 2 If Franchisor elects not to receive an assignment or sublease of the Approved Location, Franchisee shall make such modifications or alterations to the Approved Location (including changing telephone and facsimile numbers) immediately upon termination or expiration of this Agreement as may be necessary to prevent any association between Franchisor or the System and any business subsequently operated by Franchisee or others at the Approved Location Franchisee shall make such specific additional changes to the Approved Location as Franchisor may reasonably request for that purpose including, without limitation, removal of all physical and structural features identifying or distinctive to the System If Franchisee fails or refuses to comply with the requirements of this Section, Franchisor has the right to enter upon the Approved Location for the purpose of making or causing to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee shall pay upon demand

16 4. Franchisor' s Option to Purchase Certain Business Assets

Franchisor may request for a period of thirty (30) days after termination or expiration of this Agreement, to purchase any or all assets of the Franchised Business including leasehold improvements, equipment, supplies and other inventory, subject to any obligations of the lease agreement The purchase price shall be equal to the assets' fair market value, as determined by an independent appraiser, mutually selected by the Parties, however Franchisee may elect to retain said assets If Franchisor elects to exercise this option to purchase, it has the right to set off all amounts due from Franchisee under this Agreement, if any, against the purchase price

16 5 Survival of Certain Provisions

All obligations of Franchisor and Franchisee, which expressly or by their nature survive the expiration or termination of this Agreement, shall continue in full force and effect subsequent to and notwithstanding their expiration or termination and until satisfied or by their nature expire

17. TRANSFERABILITY OF INTEREST

17 1 Transfer by Franchisor

This Agreement and all rights and duties hereunder are fully transferable in whole or in part by Franchisor and such rights will inure to the benefit of any person or entity to whom transferred, provided, however, that with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor, the assignee shall assume the obligations of Franchisor hereunder and Franchisor shall thereafter have no liability for the performance of any obligations contained in this Agreement

17 2 Transfer by Franchisee to a Third Party

17 2 1 The rights and duties of Franchisee as set forth in this Agreement, and the Franchise herein granted, are personal to Franchisee (or its owners), and Franchisor has entered into this Agreement in reliance upon Franchisee's personal or collective skill and financial ability Accordingly, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee may sell, assign, convey, give away, pledge, mortgage, sublicense or otherwise transfer, whether by operation of law or otherwise, any interest in this Agreement, the Franchise granted hereby, the Approved Location used in operating the Franchised Business, its assets or any part or all of the ownership interest in Franchisee without the prior written approval of Franchisor Any purported transfer without such approval shall be null and void and shall constitute a material breach of this Agreement If Franchisee is in compliance with this Agreement, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements

17 2 1 1 Franchisee has complied with the requirements set forth in Section 20,

17 2 1 2 all obligations owed to Franchisor, and all other outstanding obligations relating to the Franchised Business, are fully paid and satisfied,

17 2 1 3 Franchisee (and any transferring owners, if Franchisee is a business entity) has executed a general release, in a form the same as or similar to the General Release attached as Exhibit 1, of any and all claims against Franchisor, including its officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), including, without limitation, claims arising under federal, state or local laws, rules or ordinances, and any other matters incident to the termination of this Agreement or to the transfer of Franchisee's interest herein or to the transfer of Franchisee's ownership of all or any part of the Franchise, provided, however, that if a general release is prohibited, Franchisee shall give the maximum release allowed by law,

17 2 1 4 the prospective transferee has satisfied Franchisor that it meets Franchisor's management, business and financial standards, and otherwise possesses the

character and capabilities, including business reputation and credit rating, as Franchisor may require to demonstrate ability to conduct the Franchised Business,

17 2 1 5 the transferee and, if Franchisor requires, all persons owning any interest in the transferee, have executed the then-current franchise agreement for new franchisees, which may be substantially different from this Agreement, including different Royalty Fee and Marketing Fund Contribution rates and other material provisions, and the franchise agreement then executed shall be for the term specified in such agreement,

17 2 1 6 the transferee has executed a general release, in a form the same as or similar to the General Release attached as Exhibit 1, of any and all claims against Franchisor and its officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), with respect to any representations regarding the Franchise or the business conducted pursuant thereto or any other matter that may have been made to the transferee by Franchisee,

17 2 1 7 Franchisee has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Franchisee and the prospective transferee relating to the intended sale or transfer of the Franchise,

17 2 1 8 Franchisee, or the transferee, has paid to Franchisor a transfer fee in the amount of Ten Thousand Dollars ($10,000 00),

17 2 1 9 the transferee, or all holders of a legal or beneficial interest in the transferee, has agreed to be personally bound jointly and severally by all provisions of this Agreement for the remainder of its term by executing a personal guaranty in such form as prepared by Franchisor,

17 2 1 10 the transferee has obtained all necessary consents and approvals by third parties (such as the lessor of the Approved Location) and all applicable federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied,

17 2 1 11 Franchisee has, and if Franchisee is an entity, all of the holders of a legal and beneficial interest in Franchisee have executed and delivered to Franchisor a nondisclosure and non-competition agreement in a form satisfactory to Franchisor and in substance the same as the nondisclosure and non-competition covenants contained in Sections 7 and 17, the transferee agrees that its Designated Manager shall complete, to Franchisor's satisfaction, a training program in substance similar to the initial training described in Section 8 1 prior to assuming the management of the day-to-day operation of the Franchised Business, and

17 2 1 12 the transferee has obtained all necessary types of insurance as described in Section 14 1

17 3 Transfer to a Controlled Entity

17 3 1 If Franchisee wishes to transfer this Agreement or any interest herein to a corporation, limited liability company or other legal entity which shall be entirely owned by Franchisee ("Controlled Entity"), which Controlled Entity is being formed for the financial

planning, tax or other convenience of Franchisee, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements

17 3 1 1 the Controlled Entity is newly organized and its charter provides that its activities are confined exclusively to the operation of the Franchised Business,

17 3 1 2 Franchisee or all holders of a legal or beneficial interest in Franchisee own all of the equity and voting power of the outstanding stock or other capital interest in the Controlled Entity,

17 3 1 3 all obligations of Franchisee to Franchisor or any Affiliate are fully paid and satisfied, provided, however, that neither Franchisee nor the Controlled Entity shall be required to pay a transfer fee as required pursuant to Section 18 2 8,

17 3 1 4 the Controlled Entity has entered into a written agreement with Franchisor expressly assuming the obligations of this Agreement and all other agreements relating to the operation of the Franchised Business If the consent of any other party to any such other agreement is required, Franchisee has obtained such written consent and provided the same to Franchisor prior to consent by Franchisor,

17 3 1 5 all holders of a legal or beneficial interest in the Controlled Entity have entered into an agreement with Franchisor jointly and severally guaranteeing the full payment of the Controlled Entity's obligations to Franchisor and the performance by the Controlled Entity of all the obligations of this Agreement,

17 3 1 6 each stock certificate or other ownership interest certificate of the Controlled Entity has conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement, and

17 3 1 7 copies of the Controlled Entity's articles of incorporation or organization, bylaws, operating agreement, federal tax identification number and other governing regulations or documents, including resolutions of the board of directors authorizing entry into this Agreement, have been promptly furnished to Franchisor Any amendment to any such documents shall also be furnished to Franchisor immediately upon adoption

17 3 1 8 The term of the transferred franchise shall be the unexpired term of this Agreement, including all renewal rights, subject to any and all conditions applicable to such renewal rights Franchisor's consent to a transfer of any interest in this Agreement, or of any ownership interest in the Franchised Business, shall not constitute a waiver of any claims Franchisor may have against the transferor or the transferee, nor shall it be deemed a waiver of Franchisor's right to demand compliance with the terms of this Agreement

17 4 Franchisor' s Disclosure to Transferee

Franchisor has the right, without liability of any kind or nature whatsoever to Franchisee, to make available for inspection by any intended transferee of Franchisee all or any part of Franchisor's records relating to this Agreement, the Franchised Business or to the history of the relationship of the parties hereto Franchisee hereby specifically consents to such disclosure by Franchisor and shall release and hold Franchisor harmless from and against any claim, loss or

injury resulting from an inspection of Franchisor's records relating to the Franchised Business by an intended transferee identified by Franchisee

17 5 For-Sale Advertising

Franchisee shall not, without prior written consent of Franchisor, place in, on or upon the location of the Franchised Business, or in any communication media, any form of advertising relating to the sale of the Franchised Business or the rights granted hereunder

17 6. Transfer by Death or Incapacity

17 6 1 Upon the death or Incapacity of Franchisee (if Franchisee is an individual) or any holder of a legal or beneficial interest in Franchisee (if Franchisee is a business entity), the appropriate representative of such person (whether administrator, personal representative or trustee) shall, within a reasonable time not exceeding ninety (90) days following such event, transfer such individual's interest in the Franchised Business or in Franchisee to a third party approved by Franchisor Such transfers, including transfers by will or inheritance, shall be subject to the conditions for assignments and transfers contained in this Agreement, unless prohibited by the laws of the state wherein Franchisee resided, with such choice of law provision being applicable only for this Section 18 6 During such one ninety (90) day period, the Franchised Business must remain at all times under the primary management of a Designated Manager who otherwise meets Franchisor's management qualifications

17 6 2 Following such a death or Incapacity of such person as described in this Section 18 6, if necessary in Franchisor's discretion, Franchisor shall have the right, but not the obligation, to assume operation of the Franchised Business until the deceased or incapacitated owner's interest is transferred to a third party approved by Franchisor Franchisor may charge a management fee as stated in the Confidential Operations Manual from time to time, currently equal to SIX HUNDRED DOLLARS ($600 00) per day, and Franchisor shall be entitled to reimbursement of any expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchised Business

18. RIGHT OF FIRST REFUSAL

18 1 Submission of Offer

If Franchisee, or any of its owners, proposes to sell or otherwise transfer (including a transfer by death or Incapacity pursuant to Section 18 6) the Franchised Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted hereunder, Franchisee shall obtain and deliver a *bona fide*, executed written offer or proposal to purchase, along with all pertinent documents including any contract or due diligence materials, to Franchisor, except with regards to a sale or transfer to a family member The offer must apply only to an approved sale of the assets or interests listed above and may not include any other property or rights of Franchisee or any of its owners

18 2 Franchisor' s Rig ht to Purcha se

Franchisor shall, for thirty (30) days from the date of delivery of all such documents, have the right, exercisable by written notice to Franchisee, to purchase the offered

assets or interest for the price and on the same terms and conditions contained in such offer communicated to Franchisee Franchisor has the right to substitute cash for the fair market value of any form of payment proposed in such offer Franchisor's credit shall be deemed at least equal to the credit of any proposed buyer After providing notice to Franchisee of Franchisor's intent to exercise this right of first refusal, Franchisor shall have up to sixty (60) days to close the purchase Franchisor shall be entitled to receive from Franchisee all customary representations and warranties given by Franchisee as the seller of the assets or such ownership interest or, at Franchisor's election, such representations and warranties contained in the proposal

18 3 Non-Exercise of Right of First Refusal

If Franchisor does not exercise its right of first refusal within thirty (30) days from the date of delivery of all such documents, the offer or proposal may be accepted by Franchisee or any of its owners, subject to Franchisor's prior written approval as required by Section 18 2 Should the sale fail to close within one hundred eighty (180) days after the offer is delivered to Franchisor, Franchisor's right of first refusal shall renew and be implemented in accordance with this Section

18.4 Sales or Transfers to Family Excepted

If Franchisee, or any of its owners, proposes to sell or otherwise transfer the Franchised Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted hereunder to a member of Franchisee's (or its owners') family, then the terms and conditions of this Section 20 shall be inapplicable Nothing in this Section 18 4 shall be construed to relieve Franchisee from full compliance with the terms and conditions of Section 18 2 prior to a sale or transfer to family pursuant to this Section

19. BENEFICIAL OWNERS OF FRANCHISEE

Franchisee represents, and Franchisor enters into this Agreement in reliance upon such representation, that the individuals identified in Exhibit 4 are the sole holders of a legal or beneficial interest (in the stated percentages) of Franchisee

20. RELATIONSHIP AND INDEMNIFICATION

20 1. Relationship

This Agreement is purely a contractual relationship between the parties and does not appoint or make Franchisee an agent, legal representative, joint venture, partner, employee, or independent contractor of Franchisor for any purpose whatsoever Franchisee may not represent or imply to third parties that Franchisee is an agent of Franchisor, and Franchisee is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf During the term of this Agreement, and any extension or renewal hereof, Franchisee shall hold itself out to the public only as a franchisee and an owner of the Franchised Business operating the Franchised Business pursuant to a franchise from Franchisor Franchisee shall take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous

place on the Approved Location and on all forms, stationery or other written materials, the content of which Franchisor has the right to specify Under no circumstances shall Franchisor be liable for any act, omission, contract, debt, nor any other obligation of Franchisee Franchisor shall in no way be responsible for any injuries to persons or property resulting from the operation of the Franchised Business Any third party contractors and vendors retained by Franchisee to convert or construct the premises are independent contractors of Franchisee alone

20 2 Standard of Care

This Agreement does not establish a fiduciary relationship between the parties Unless otherwise specifically provided in this Agreement with respect to certain issues, whenever this Agreement requires Franchisee to obtain Franchisor's written consent or permits Franchisee to take any action or refrain from taking any action, Franchisor is free to act in its own self-interest without any obligation to act reasonably, to consider the impact on Franchisee or to act subject to any other standard of care limiting Franchisor's right, except as may be provided by statute or regulation

20 3 Indemnification

To the fullest extent permitted by law, Franchisee shall, at Franchisee's sole cost and expense, hold harmless and indemnify Franchisor, any Affiliate, all holders of a legal or beneficial interest in Franchisor and all officers, directors, executives, managers, members, partners, owners, employees, agents, successors and assigns (collectively "Franchisor Indemnities") from and against all losses, damages, fines, costs, expenses or liability (including reasonable attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, which arises from or is based upon (a) any personal injury, bodily injury or property damage whatsoever occurring in or at the location of the Franchised Business, (b) any bodily injury to an employee of Franchisee arising out of and in the course of employment of the employee, (c) Franchisee's ownership or operation of the Franchised Business, (d) Franchisee's breach of the lease for the Approved Location, (e) Franchisee's violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule, (f) Franchisee's breach of any representation, warranty, covenant, or provision of this Agreement or any other agreement between Franchisee and Franchisor (or an Affiliate), (g) Franchisee's defamation of Franchisor or the System, (h) Franchisee's acts, errors or omissions committed or incurred in connection with the Franchised Business and or place of operations, including any negligent or intentional acts, or (i) Franchisee's infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Trade Secrets or other Confidential Information The obligations of this Section 20 3 shall expressly survive the termination of this Agreement

20 4 Right to Retain Counsel

Franchisee shall give Franchisor immediate notice of any such action, suit, demand, claim, investigation or proceeding that may give rise to a claim for indemnification by a Franchisor Indemnity Franchisor has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding In order to protect persons, property, Franchisor's reputation or the goodwill of others, Franchisor has the right to, at any time without notice, take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor's sole judgment, there are grounds to believe any of the acts or circumstances listed above have occurred If Franchisor's

exercise of its rights under this Section to take corrective or remedial action, causes any of Franchisee's insurers to refuse to pay a third party claim, all cause of action and legal remedies Franchisee might have against such insurer shall automatically be assigned to Franchisor without the need for any further action on either party's part Under no circumstances shall Franchisor be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against Franchisee The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by Franchisor from Franchisee

21. GENERAL CONDITIONS AND PROVISIONS

21.1. No Waiver

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom nor practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with the terms of this Agreement Waiver by Franchisor of any particular default by Franchisee shall not be binding unless in writing and executed by Franchisor and shall not affect nor impair Franchisor's right with respect to any subsequent default of the same or of a different nature Subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement

21.2 Injunctive Relief

As any breach by Franchisee of any of the restrictions contained in Sections 6, 7 and 17 would result in irreparable injury to Franchisor, and as the damages arising out of any such breach would be difficult to ascertain, in addition to all other remedies provided by law or in equity, Franchisor shall be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) against any such breach, whether actual or contemplated, without the necessity of posting security or bond and Franchisee shall be responsible for Franchisor's reasonable attorneys' fees incurred in pursuing the same Franchisor's right to seek injunctive relief will not affect the parties' waiver of jury trial and covenant to arbitrate all disputes Franchisor's rights herein shall include pursuing injunctive relief through arbitration or in a state or federal court

21.3 Notices

All notices required or permitted under this Agreement shall be in writing and shall be deemed received (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party), (b) on the next business day after transmission by facsimile or other reasonably reliable electronic communication system, (c) two (2) business days after being sent via guaranteed overnight delivery by a commercial courier service, or (d) five (5) business days after being sent by Registered Mail, return receipt requested Either party may change its address by a written notice sent in accordance with this Section 21 3 All notices, payments and reports required by this Agreement shall be sent to Franchisor at the following address

CCS Franchising, LLC
Attn Greg Augustyn
1468 James Rd

Gardnerville, NV 89640

21 4. Cost of Enforcement or Defense

If Franchisor or Franchisee is required to enforce this Agreement in a judicial or arbitration proceeding, each party should bear the costs of their own legal or accounting expenses, unless otherwise provided for by law

21.5. Approvals

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor for such approval and, except as otherwise provided herein, any approval or consent granted shall be effective only if in writing Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Franchisee in connection with this Agreement, or by reason of any neglect, delay or denial of any request for approval

21 6 Entire Agreement

This Agreement, its exhibits and the documents referred to herein shall be construed together and constitute the entire, full and complete agreement between Franchisor and Franchisee concerning the subject matter hereof and shall supersede all prior agreements No other representation, oral or otherwise, has induced Franchisee to execute this Agreement, and there are no representations (other than those within Franchisor's CCS Franchising, LLC Disclosure Document), inducements, promises or agreements, oral or otherwise, between the parties not embodied herein, which are of any force or effect with respect to the matters set forth in or contemplated by this Agreement or otherwise No amendment, change or variance from this Agreement shall be binding on either party unless executed in writing by both parties

21 7. Severability and Modification

21 7 1 Except as noted below, each paragraph, part, term and provision of this Agreement shall be considered severable If any paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties, and such unenforceable, unreasonable or invalid paragraphs, parts, terms or provisions shall be deemed not part of this Agreement If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right to, at its option, terminate this Agreement

21 7 2 Notwithstanding the above, each of the covenants contained in Sections 7 and 17 shall be construed as independent of any other covenant or provision of this Agreement If all or any portion of any such covenant is held to be unenforceable, unreasonable or invalid, then it shall be amended to provide for limitations on disclosure of Trade Secrets or other Confidential Information or on competition to the maximum extent provided or permitted by law

21.8 Construction

All captions herein are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof

21.9 Force Majeure

Whenever a period of time is provided in this Agreement for either party to perform any act, except pay monies, neither party shall be liable nor responsible for any delays due to strikes, lockouts, casualties, acts of God, war, terrorism, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay This clause shall not result in an extension of the term of this Agreement

21 10 Timing

Time is of the essence Except as set forth in Section 21 10, failure to perform any act within the time required or permitted by this Agreement shall be a material breach

21 11 Withholding Payments

Franchisee shall not, for any reason, withhold payment of any Royalty Fees or other amounts due to Franchisor or to an Affiliate Franchisee shall not withhold or offset any amounts, damages or other monies allegedly due to Franchisee against any amounts due to Franchisor No endorsement or statement on any payment for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction, and Franchisor has the right to accept and cash any such payment without prejudice to Franchisor's right to recover the full amount due, or pursue any other remedy provided in this Agreement or by law Franchisor has the right to apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Franchisor deems appropriate Franchisor shall set off sums Franchisor owes to Franchisee against any unpaid debts owed by Franchisee to Franchisor

21 12 Further Assurances

Each party to this Agreement will execute and deliver such further instruments, contracts, forms or other documents, and will perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Agreement

21 13 Third-Party Beneficiaries

Anything to the contrary notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee, and their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under this Agreement

21.14 Multiple Originals

Both parties will execute multiple copies of this Agreement, and each executed copy will be deemed an original

22. DISPUTE RESOLUTION

22 1 Choice of Law

Except to the extent this Agreement or any particular dispute is governed by the U S Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of California (without reference to its conflict of laws principles) The parties hereby submit all such disputes not governed by the U S Trademark Act of 1946 (or breaches of the Non-Compete Provisions hereof set forth in Exhibit 2 hereof) to binding arbitration as their exclusive forum and remedy with the California Revised Uniform Arbitration Act to exclusively govern the procedure for all such arbitration References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time References to a governmental agency also refer to any regulatory body that succeeds the function of such agency

22 2. Consent to Jurisdiction

Any action brought by either party except those claims required to be submitted to arbitration, shall only be brought in the appropriate state or Federal courts located in or serving California The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out thisprovision Claims for injunctive relief may be brought by Franchisor where Franchisee is located This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction

22 3 Cumulative Rights and Remedies

No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be in addition to every other right or remedy Nothing contained herein shall bar Franchisor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions

22 4 Limitation of Damages

Franchisee and Franchisor each waive, to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against the other and agree that if there is a dispute with the other, each will be limited to the recovery of actual damages sustained by it Franchisee and Franchisor waives and disclaims any right to consequential damages in any action or claim against concerning this Agreement or any related agreement

22.5. Waiver of Jury Trial

FRANCHISEE AND FRANCHISOR EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR EQUITY, BROUGHT BY EITHER OF THEM

23. ACKNOWLEDGMENTS

23 1 Receipt of this Agreement and the Franchise Disclosure Document

Franchisee represents and acknowledges that it has received, read and understands this Agreement and Franchisor's Franchise Disclosure Document, and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement Franchisee represents and acknowledges that it has received, at least fourteen (14) calendar-days prior to the date on which this Agreement was executed, the Disclosure Document required by the Trade Regulation Rule of the Federal Trade Commission entitled Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures

23.2. Consultation by Franchisee

Franchisee represents that it has been urged to consult with its own advisors with respect to the legal, financial and other aspects of this Agreement, the business franchised hereby and the prospects for that business Franchisee represents that it has either consulted with such advisors or has deliberately declined to do so

23 3 True and Accurate Information

Franchisee represents that all information set forth in any and all applications, financial statements and submissions to Franchisor is true, complete and accurate in all respects, and Franchisee acknowledges that Franchisor is relying upon the truthfulness, completeness and accuracy of such information

23 4. Risk

Franchisee represents that it has conducted an independent investigation of the business contemplated by this Agreement and acknowledges that, like any other business, an investment in a CCS Cleans franchise business involves business risks and that the success of the venture is dependent, among other factors, upon the business abilities and efforts of Franchisee Franchisor makes no representations or warranties, express or implied, in this Agreement or otherwise, as to the potential success of the business venture contemplated hereby

23 5 No Guarantee of Success

23 5 1 Franchisee represents and acknowledges that it has not received or relied on any guarantee, express or implied, as to the revenues, profits or likelihood of success of the Franchised Business Franchisee represents and acknowledges that there have been no representations by Franchisor's officers, directors, employees or agents that are not contained in, or are inconsistent with, the statements made in the Franchise Disclosure Document or this Agreement 24 6No Violation of Other Agreements

23 5 2 Franchisee represents that its execution of this Agreement will not violate any other agreement or commitment to which Franchisee or any holder of a legal or beneficial interest in Franchisee is a party

23 6 No Violation of Other Agreements

Franchisee represents that its execution of this Agreement will not violate any other agreement or commitment to which Franchisee or any holder of a legal or beneficial interest in Franchisee is a party

23 7 Severability

If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability in that jurisdiction of any other provision of this Agreement, or the validity or enforceability in other jurisdictions of that or any other provision of this Agreement

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have duly executed this Agreement

CCS Cleans Franchising, LLC

_____

_____

Name Printed

_____

Title

[Franchisee]_____

_____

_____

Name Printed

_____

Title

EXHIBIT 1 TO THE FRANCHISE AGREEMENT

GENERAL RELEASE

This General Release is made by RELEASOR in consideration of the execution by CCS Franchising, LLC, A California Limited Liability Company ("RELEASEE"), of a Franchise Agreement between RELEASOR and RELEASEE and other good and valuable consideration, the adequacy of which is hereby acknowledged

Accordingly RELEASOR hereby releases and discharges RELEASEE, RELEASEE'S officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), and RELEASEE'S successors and assigns, from any and all causes of action, suits, debts, damages, judgments, executions, claims and demands whatsoever, in law or in equity, that RELEASOR and RELEASOR'S heirs, executors, administrators, successors and assigns had, now have or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of this RELEASE arising out of or related to the Franchise or the Franchise Agreement, including, without limitation, claims arising under federal, state and local laws, rules and ordinances

Any action brought by either party regarding this Release, shall only be brought in the appropriate state or federal court located in or serving California The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision

This General Release shall not be amended or modified unless such amendment or modification is in writing and is signed by RELEASOR and RELEASEE

IN WITNESS WHEREOF, RELEASOR has executed this General Release as of the date first above written

RELEASOR _____

Signature _____

Title _____

Date _____

EXHIBIT 2 TO THE FRANCHISE AGREEMENT

NONDISCLOSURE AND NON-COMPETITION AGREEMENT

This "Agreement" is by and between CCS Franchising LLC, ("Franchisor") and _____ ("Franchisee")

WITNESSETH

WHEREAS, the parties to this Agreement have entered into a Franchise Agreement on this day ("Franchise Agreement"),

WHEREAS, Franchisee will have access to and review certain Trade Secrets and other Confidential Information, which are more particularly described below,

WHEREAS, Franchisee is required by the Franchise Agreement to execute this Agreement prior to receiving access to said Trade Secrets and other Confidential Information, and

WHEREAS, Franchisee understands the necessity of not disclosing any such information to any other party or using such information to compete against Franchisor, in any business (i) that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) products or services the same as or similar to those provided by Franchisor or (ii) in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of Franchisor, its affiliates or franchisees (hereinafter, "Competitive Business"), provided, however, that the term "Competitive Business" shall not apply to any business operated by Franchisee under a Franchise Agreement with Franchisor

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the parties hereby mutually agree as follows

1 Trade Secrets and Confidential Information

Franchisee understands Franchisor possesses and will possess Trade Secrets and other Confidential Information that are important to its business

a) For the purposes of this Agreement, a "Trade Secret" is information in any form (including, but not limited to, materials and techniques, technical or nontechnical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in the franchise that is not commonly known by or available to the public and that information (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy

b) For the purposes of this Agreement "Confidential Information" means technical and nontechnical information used in or related to the Franchise that is not commonly known by or available to the public, including, without limitation, Trade Secrets and information contained in the Operations Manual and training guides and materials In addition, any other information identified as confidential when delivered by Franchisor shall be deemed Confidential Information Confidential Information shall not include, however, any information that (i) is now or subsequently becomes generally available to the public through no fault of Franchisee, (ii) Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement, (iii) is independently developed without the use of any Confidential Information, or (iv) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information

c) Any information expressly designated by Franchisor as "Trade Secrets" or "Confidential Information" shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve Franchisee of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information Franchisee understands Franchisor's providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Franchisee and Franchisor with respect to the Trade Secrets and other Confidential Information

2 Confidentiality/Nondisclosure

a) Franchisee shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of Franchisor, now or at any time in the future, any Trade Secrets or other Confidential Information At all times from the date of this Agreement, Franchisee must take all steps reasonably necessary and/or requested by Franchisor to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement Franchisee must comply with all applicable policies, procedures and practices that Franchisor has established and may establish from time to time with regard to the Confidential Information and Trade Secrets

b) Franchisee's obligations under paragraph 2(a) of this Agreement shall continue in effect after termination of Franchisee's relationship with Franchisor, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Franchisee is entitled to communicate Franchisee's obligations under this Agreement to any future customer or employer to the extent deemed necessary by Franchisee for protection of its rights hereunder and regardless of whether Franchisee or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in a Competitive Business

3 Noncompetition

a) During the term of Franchisee's relationship with Franchisor and for a period of one year after the expiration or termination of Franchisee's relationship with Franchisor, regardless of the cause of expiration or termination, Franchisee shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, divert or attempt to divert any business or customer of Franchisor to any Competitive Business, 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 Franchisor's trademark "CCS Cleans" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as the Franchisor designates to be used in connection with CCS Cleans or the Franchisor's uniform standards, methods, procedures and specifications for the establishment and operation of a franchise

b) During the term of Franchisee's relationship with Franchisor, Franchisee shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business anywhere within Franchisee's Territory, without the express written consent of Franchisor

c) For a one (1) year period following the term of Franchisee's relationship with Franchisior, regardless of the cause of termination, Franchisee shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business within Franchisee's Territory, or within the territory of any other CCS Cleans Business without the express written consent of Franchisor

d) During the term of Franchisee's relationship with Franchisor and for a period of one year thereafter, regardless of the cause of termination, Franchisee shall not, directly or indirectly, solicit or otherwise attempt to induce or influence any employee or other business associate of Franchisor or any other CCS Cleans Business to compete against, or terminate or modify his, her or its employment or business relationship with, Franchisor or any other CCS Cleans Business

4 Reasonableness of Restrictions

Franchisee acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisor, and Franchisor's Trade Secrets and other Confidential Information, the Franchisor's business system, network of franchises and trade and service marks, and Franchisee waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then Franchisee shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought

5 Relief for Breaches of Confidentiality, Nonsolicitation and Noncompetition

Franchisee further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause Franchisor immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law Accordingly, Franchisor shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by Franchisee of this Agreement without any requirement to show any actual damage or to post any bond or other security Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that Franchisor may have at law or in equity

6 Miscellaneous

a) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof This Agreement supersedes any prior agreements, negotiations and discussions between Franchisee and Franchisee This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties

b) Except to the extent this Agreement or any particular dispute is governed by the U S Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of California (without reference to its conflict of laws principles) The Federal Arbitration Act shall govern all matters subject to arbitration References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time References to a governmental agency also refer to any regulatory body that succeeds the function of such agency

c) Any action brought by either party, shall only be brought in the appropriate state or federal court located in or serving California The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision Franchisor may bring claims for injunctive relief where Franchisee is located This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction

d) Franchisee agrees if any legal proceedings are brought for the enforcement of this Agreement, in addition to any other relief to which the successful or prevailing party may be entitled, the

successful or prevailing party shall be entitled to recover attorneys' fees, investigative fees, administrative fees billed by such party's attorneys, court costs and all expenses, including, without limitation, all fees, taxes, costs and expenses incident to arbitration, appellate, and post-judgment proceedings incurred by the successful or prevailing party in that action or proceeding

e) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of Franchisee and shall inure to the benefit of Franchisor, its subsidiaries, successors and assigns

f) The failure of either party to insist upon performance in any one or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect

g) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement

h) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof

i) This Agreement may be modified or amended only by a written instrument duly executed by Franchisee and Franchisor

j) The existence of any claim or cause of action Franchisee might have against Franchisor will not constitute a defense to the enforcement by Franchisor of this Agreement

k) Except as otherwise expressly provided in this Agreement, no remedy conferred upon Franchisor pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise No single or partial exercise by any party of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof

FRANCHISEE CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO INDUCE THE SIGNING OF THIS AGREEMENT

FRANCHISOR

_____ Name _____

Title _____

FRANCHISEE

_____ Name _____

Title _____

EXHIBIT 3 TO THE FRANCHISE AGREEMENT

OWNERSHIP INFORMATION

1 **Form of Ownership** Franchisee is a (check one)

_____ *Sole Proprietorship*
_____ *Partnership*
_____ *Limited Liability Company*
_____ *Corporation*

State of incorporation / organization / residence _____

2 **Sole Proprietor**

Name	Social Security Number

3 **Owners.** If Franchisee is a partnership, limited liability company or corporation

Name	Shares or Percentage of Ownership

4 **Officers** If Franchisee is a limited liability company or corporation

Name	Title

EXHIBIT 4 TO THE FRANCHISE AGREEMENT

MULTI-STATE ADDENDA

ADDENDUM TO THE FRANCHISE AGREEMENT CCS Franchising, LLC

FOR THE STATE OF CALIFORNIA

This Addendum to the Franchise Agreement is agreed to this ___ day of _____, 20___, is by and between CCS Franchising, LLC and _____

_____

1 New §16 6 is inserted into the Franchise Agreement and states as follows

If termination is the result of Franchisee's default, Franchisee will pay to Franchisor a lump sum payment (as liquidated damages for causing the premature termination of this Agreement and not as a penalty) equal to the total of all Royalty Fee payments for (a) the twenty-four calendar months of operation of Franchisee preceding Franchisee's default, (b) the period of time Franchisee has been in operation preceding the notice, if less than twenty-four calendar months, projected on a twenty-four calendar month basis, or (c) any shorter period as equals the unexpired term at the time of termination The parties agree that a precise calculation of the full extent of the damages that Franchisor will incur on termination of this Agreement as a result of Franchisee's default is difficult and the parties desire certainty in this matter and agree that the lump sum payment provided under this Section is reasonable in light of the damages for premature termination that Franchisor will incur This payment is not exclusive of any other remedies that Franchisor may have including recovery of attorneys' fees and costs

2 In recognition of the requirements of the California Franchise Investment Law, Cal Corp Code §§31000-31516 and the California Franchise Relations Act, Cal Bus And Prof Code §§20000-20043, the Franchise Agreement for CCS Franchising, LLC is amended as follows

- The California Franchise Relations Act provides rights to Franchisee concerning termination or nonrenewal of the Franchise Agreement, which may supersede provisions in the Franchise Agreement, specifically §§4 2 and 15
- §15 2 1 12 that terminates the Franchise Agreement upon the bankruptcy of Franchisee may not be enforceable under federal bankruptcy law (11 U S C Section 101, *et seq*)
- §16 2 contains a covenant not to compete that extends beyond the expiration or termination of the Agreement, this covenant may not be enforceable under California Law
- Paragraph 1 of this Addendum contains a liquidated damages clause Under California Civil Code §1671, certain liquidated damages clauses are unenforceable
- §22 6 requires binding arbitration The arbitration will occur at the forum indicated in §22 6, with the costs being borne by the nonprevailing party Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside of the State of California

3 To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern

EXHIBIT 4 TO THE FRANCHISE AGREEMENT

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms

CCS Franchising, LLC

By _____

Title _____

Franchisee _____

By _____

Title _____

EXHIBIT B TO THE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS

AND

AGENTS FOR SERVICE OF PROCESS

State	State Administrator	Agent for Service of Process
California	Department of Business Oversight One Sansome Street, Suite 200 San Francisco, CA 94104-4428 (415) 972-8565	Department of Business Oversight One Sansome Street, Suite 200 San Francisco, CA 94104-4428 (415) 972-8565
Connecticut	Connecticut Banking Commissioner Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CN 06103	Connecticut Banking Commissioner Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CN 06103
Florida	Division of Consumer Services Attn Business Opportunities 2005 Apalachee Parkway Tallahassee, FL 32399-6500	Division of Consumer Services Attn Business Opportunities 2005 Apalachee Parkway Tallahassee, FL 32399-6500
Hawaii	Commissioner of Securities Department of Commerce and Consumer Affairs P O Box 40 Honolulu, Hawaii 96810 (808) 586-2744	Commissioner of Securities Department of Commerce and Consumer Affairs P O Box 40 Honolulu, Hawaii 96810 (808) 586-2744
Illinois	Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465
Indiana	Indiana Secretary of State Securities Division Room E-111 302 W Washington Street Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State Securities Division Room E-111 302 W Washington Street Indianapolis, Indiana 46204 (317) 232-6681
Kentucky	Office of the Attorney General Consumer Protection Division Attn Business Opportunity 1024 Capital Center Drive Frankfort, KY 40601-8204	Office of the Attorney General Consumer Protection Division Attn Business Opportunity 1024 Capital Center Drive Frankfort, KY 40601-8204
Maine	Department of Professional and Financial Regulations Bureau of Banking Securities Division 121 Statehouse Station Augusta, Maine 04333	Department of Professional and Financial Regulations Bureau of Banking Securities Division 121 Statehouse Station Augusta, Maine 04333
Maryland	Office of the Attorney General Securities Division 200 St Paul Place Baltimore, MD 21202-2020 (410) 576-7042	Maryland Commissioner of Securities Office of Attorney General 200 St Paul Place Baltimore, Maryland 21202-2020

EXHIBIT B TO THE DISCLOSURE DOCUMENT

State	State Administrator	Agent for Service of Process
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn Franchise Section 525 W Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	Michigan Department of Commerce Corporations and Securities Bureau P O Box 30054 6546 Mercantile Way Lansing, Michigan 48909
Minnesota	Minnesota Department of Commerce Market Assurance Division 85 7th Place East, Suite 500 St Paul, Minnesota 55101-2198 (651) 296-6328	Minnesota Department of Commerce Market Assurance Division 85 7th Place East, Suite 500 St Paul, Minnesota 55101-2198 (651) 296-6328
Nebraska	Nebraska Department of Banking and Finance Commerce Court 1230 O Street, Suite 400 Lincoln, NE 68509	Nebraska Department of Banking and Finance Commerce Court 1230 O Street, Suite 400 Lincoln, NE 68509
New York	New York State Department of Law Bureau of Investor Protection and Securities 120 Broadway, 23rd Floor New York, NY 10271 (212) 416-8211	Secretary of State 41 State Street Albany, New York 12231
North Carolina	Secretary of State Securities Division 300 North Salisbury Street, Suite 100 Raleigh, NC 27603-5909	Secretary of State Securities Division 300 North Salisbury Street, Suite 100 Raleigh, NC 27603-5909
North Dakota	North Dakota Securities Department 600 East Boulevard Avenue State Capitol – 5th Floor Department 414 Bismarck, North Dakota 58505-0510 (701) 328-4712	North Dakota Securities Department 600 East Boulevard Avenue State Capitol – 5th Floor Department 414 Bismarck, North Dakota 58505-0510 (701) 328-4712
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue John O Pastore Complex–69-1 Cranston, RI 02920-4407 (401) 462-9527	Department of Business Regulation Securities Division 1511 Pontiac Avenue John O Pastore Complex–69-1 Cranston, RI 02920-4407 (401) 462-9527
South Carolina	Office of the Secretary of State 1205 Pendleton Street Edgar Brown Building, Suite 525 Columbia, South Carolina 29201	Office of the Secretary of State 1205 Pendleton Street Edgar Brown Building, Suite 525 Columbia, South Carolina 29201

EXHIBIT B TO THE DISCLOSURE DOCUMENT

State	State Administrator	Agent for Service of Process
South Dakota	Department of Revenue and Regulation Division of Securities 445 East Capitol Avenue Pierre, SD 57501-3185 (605) 773-4823	Department of Revenue and Regulation Division of Securities 445 East Capitol Avenue Pierre, SD 57501-3185 (605) 773-4823
Texas	Office of the Secretary of State Statutory Document Section 1019 Brazos Street Austin, Texas 78701	Office of the Secretary of State Statutory Document Section 1019 Brazos Street Austin, Texas 78701
Utah	Utah Department of Commerce Division of Consumer Protection 160 East Three Hundred South P O Box 146704 Salt Lake City, Utah 84114-6704	Utah Department of Commerce Division of Consumer Protection 160 East Three Hundred South P O Box 146704 Salt Lake City, Utah 84114-6704
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P O Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Department of Financial Institutions Securities Division P O Box 9033 Olympia, WA 98507-9033 (360) 902-8760
Wisconsin	Division of Securities Department of Financial Institutions Post Office Box 1768 Madison, Wisconsin 53701 (608) 266-2801	Commissioner of Securities 345 West Washington Street, 4th Floor Madison, Wisconsin 53703

EXHIBIT D TO THE DISCLOSURE DOCUMENT

LIST OF CURRENT FRANCHISES

We currently have no existing franchises to disclose

LIST OF TERMINATED FRANCHISES

There are no franchisees who have had an outlet terminated, cancelled, transferred, not renewed or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the most recently completed fiscal year or who have not communicated with Franchisor within 10 weeks of the application date

EXHIBIT E TO THE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, CCS Cleans and you are preparing to enter into a Franchise Agreement for the operation of a Franchised Business In this Franchisee Disclosure Questionnaire, CCS Cleans will be referred to as "we" or "us " The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we did not authorize and that may be untrue, inaccurate or misleading Please review each of the following questions carefully and provide honest and complete responses to each question

1 Have you received and personally reviewed CCS Cleans Franchise Agreement and each exhibit, addendum and schedule attached to it?
Yes _ No _____

2 Do you understand all of the information contained in the Franchise Agreement and each exhibit and schedule attached to it?
Yes _ No _____

If "No", what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary)

_____

_____

_____

_____

_____

_____

3 Have you received and personally reviewed our Disclosure Document we provided to you?
Yes _ No _____

4 Do you understand all of the information contained in the Disclosure Document?
Yes _ No _____

If "No", what parts of the Disclosure Document do you not understand? (Attach additional pages, if necessary)

_____

_____

_____

_____

_____

_____

_____

5 Have you discussed the benefits and risks of operating the Franchised Business with an attorney, accountant or other professional advisor and do you understand those risks?
Yes _ No _____

6 Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?
Yes _ No _____

7 Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of the Franchised Business that we or our franchisees operate?
Yes _ No _____

8 Has any employee or other person speaking on our behalf made any statement or promise concerning a Franchised Business that is contrary to, or different from, the information contained in the Disclosure Document?
Yes _ No _____

9 Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business?
Yes _ No _____

10 Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document?
Yes _ No _____

11 If you have answered "Yes" to any of questions 7 through 10, please provide a full explanation of your answer in the following blank lines (Attach additional pages, if necessary, and refer to them below) If you have answered "No" to each of these questions, please leave the following lines blank

_____

_____

_____

_____

_____

_____

12 Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and these dealings are solely between you and us?
Yes _ No _____

You understand that your answers are important to us and that we will rely on them

EXHIBIT E TO THE DISCLOSURE DOCUMENT

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

_____

Name of Franchisee/Applicant

Date , 20

_____

Signature

_____

Name and Title of Person Signing

EXHIBIT F TO THE DISCLOSURE DOCUMENT

MULTI-STATE ADDENDA

FOR THE STATE OF CALIFORNIA

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

2 §31125 of the California Corporations Code requires Franchisor to give Franchisee a Disclosure Document in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise

3 You must sign a general release if Franchisee renew or transfer Franchisee's franchise California Corporations Code §31512 voids a waiver of Franchisee's rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516) Business and Professions Code §20010 voids a waiver of Franchisee's rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043)

4 Neither the franchisor, any person or franchise broker in ITEM 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U S C A 78a et seq , suspending or expelling these persons from membership in the association or exchange

5 ITEM 17 of the Disclosure Document is amended to add the following

- The California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or nonrenewal of a franchise If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control
- The Franchise Agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C A Sec 101 et seq)
- The Franchise Agreement contains a covenant not to compete that extends beyond the term of the agreement This provision might not be enforceable under California law
- The Franchise Agreement contains a liquidated damages clause Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable
- The Franchise Agreement requires binding arbitration The arbitration will occur at the forum indicated in ITEM 17 with the costs being borne by the nonprevailing party Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California
- The following URL address is for the franchisor's website www ccscleansup com

FRANCHISOR'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT ANY COMPLAINTS CONCERNING

EXHIBIT F TO THE DISCLOSURE DOCUMENT

THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHTAT www dbo ca gov

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms

CCS Cleans Franchising, LLC	Franchisee _____
By _____	By _____
Title _____	Title _____

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 CCS Franchising, LLC offers you a franchise, CCS Franchising, LLC must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale unless otherwise stated in your state's addendum The delivery of the Disclosure Document is to be received at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship in the State of Maryland

If CCS Franchising, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and the State Administrator listed in Exhibit A

The following is the name, principal business address, and telephone number of the franchise seller offering the franchise Greg Augustyn, 888 Prospect St , Ste 200, La Jolla, CA 92037, 858-263-2999

Issuance Date February 15, 2017

Our Agents for Service of Process are listed in Exhibit B

I have received a Franchise Disclosure Document including the following exhibits on the date listed below

A Franchise Agreement
B List of State Administrators and Agents for Service of Process
C Financial Statements
D List of Current and Terminated Franchisees
E Franchisee Disclosure Questionnaire
F Multi-State Addenda

Name _____ Date _____

Signature _____

You should return this copy of the signed receipt either by signing, dating, and mailing it to CCS Cleans Franchising, LLC, 1468 James Rd, Gardnerville, Nevada 89640 or by scanning and emailing a copy of the signed receipt to greg@ccscleans net

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 CCS Franchising, LLC offers you a franchise, CCS Franchising, LLC must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale unless otherwise stated in your state's addendum The delivery of the Disclosure Document is to be received at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship in the State of Maryland

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F Multi-State Addenda

Name _____ Date _____

Signature _____

You may keep this copy for your records