FRANCHISE DISCLOSURE DOCUMENT

Tri-Way Cleaning Services, Inc.
a Florida corporation
d/b/a "Hood Guyz"
1020 E. Prospect Road
Oakland Park, FL 33334
877-794-9274
(786) 256-1053
www.HoodGuyz.com

The franchise offered is for the operation of a commercial kitchen exhaust system cleaning, inspection, maintenance and restoration business under the name Hood Guyz.

The total investment necessary to begin operation of a Hood Guyz franchise is $52,100 -$65,275. This includes $28,000 - $32,500 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 to you. To discuss the availability of disclosures in different formats, contact Vincent Garcia at 1020 E. Prospect Road, Oakland Park, FL 33334, telephone number (786) 256-1053.

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

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

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

Issuance date: August 18, 2020.

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

2. **Minimum Payments**. You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.

3. **Minimum Sales Performance.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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

MICHIGAN ADDENDUM
TO THE DISCLOSURE DOCUMENT

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

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logo type, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

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

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to: (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards; (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor; (iii) The unwillingness of the proposed

transferee to agree in writing to comply with all lawful obligations; (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

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

Any questions regarding this notice should be directed to Department of the Attorney General's Office, Consumer Protection Division, Franchise Section, G. Mennen Williams Building, 525 W. Ottawa Street, Lansing, Michigan 48913; telephone number (517) 373-7117.

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

Table of Contents

ITEM 1 THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES 1
ITEM 2 BUSINESS EXPERIENCE 2
ITEM 3 LITIGATION 2
ITEM 4 BANKRUPTCY 2
ITEM 5 INITIAL FEES 2
ITEM 6 OTHER FEES 3
ITEM 7 ESTIMATED INITIAL INVESTMENT 8
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES 10
ITEM 9 FRANCHISEE'S OBLIGATIONS 14
ITEM 10 FINANCING 15
ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING 15
ITEM 12 TERRITORY 22
ITEM 13 TRADEMARKS 24
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION 26
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS 26
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL 27
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION 28
ITEM 18 PUBLIC FIGURES 30
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS 30
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION 31
ITEM 21 FINANCIAL STATEMENTS 34
ITEM 22 CONTRACTS 34
ITEM 23 RECEIPTS 34

EXHIBITS:

A List of Administrators and Agents for Service of Process
B Franchise Agreement and Exhibits
Schedule 1: Guaranty
Schedule 2: State Addenda to Franchise Agreement
C Operations Manual Table of Contents
D List of Franchisees
E Franchisees Who Had an Outlet Terminated, Transferred, Etc.
F Financial Statements
G State Addenda to Disclosure Document
H General Release Form
I State Effective Dates
J Receipts

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor, Any Parents, and Affiliates

The Franchisor is Tri Way Cleaning Services, Inc. d/b/a “Hood Guyz.” For ease of reference, Tri-Way Cleaning Services, Inc. will be referred to as “we,” “us,” “our,” “Hood Guyz," or “Franchisor” in this disclosure document. We will refer to the person or entity who buys the franchise as “you,” “your,” or “Franchisee. If you are an entity, certain provisions of the Franchise Agreement also apply to your owners and will be noted.

We are a Florida corporation, formed on May 5, 2015. We do business as Hood Guyz or under our corporate name. Our principal business address is 1020 E. Prospect Road, Oakland Park, FL 33334.

We do not have any predecessors, parent companies or affiliates.

We list our agents for service of process in Exhibit A.

The Franchisor’s Business and the Franchises Offered.

We have operated since 2015 a business of the type being franchised. We do not engage in any other business activities other than the operation and franchising of this concept.

The Hood Guyz franchise conducts commercial kitchen exhaust system cleaning, inspection, maintenance and restoration services. (the “System”). We offer a Franchise Agreement for the development and operation of a single Business in a designated territory. The System is identified by means of certain trade names, service marks, trademarks, slogans, logos, emblems and indicia of origin (the “Marks”), including but not limited to, the mark "Hood Guyz."

The Market

The market for the services you will offer is generally developed, but may still be developing in some areas, particularly areas with lower restaurant density. You will primarily offer your services to restaurants. Sales are year-round.

Industry Laws or Regulations

You must comply with federal, state, and local laws related to restaurant kitchen exhaust hood cleaning. The following localities currently require those who clean restaurant kitchen exhaust hoods to satisfactorily complete testing or hold a particular license: Boston, MA, New York City, NY, Las Vegas, NV, Vancouver, WA and Minneapolis, MN. Other jurisdictions may add applicable laws at any time. You should investigate the application of these laws further.

Competition

You will be competing with other local and national businesses, both franchised and independent, that offer restaurant kitchen cleaning services.

Prior Business Experience

We have franchised this concept in the non-registration states since September 2015. We do not offer franchises in any other line of business.

ITEM 2
BUSINESS EXPERIENCE

President and CEO: Vincent Garcia

Mr. Garcia has been our president and CEO since May 5, 2015. From May of 2010 to April of 2015, he was Operations Manager for Tri-County Mobile Wash, Inc. From October 2005 to April 2010 he was president and CEO of Superior Wash, Inc. of USA. From May 2002 to July 2005, he was president and CEO of Superior Wash, Inc. of South Florida in Pembroke Pines, FL.

ITEM 3
LITIGATION

No litigation 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 are required to pay an Initial Franchise Fee of $18,500 for a Single Unit Standard Franchise Agreement. Typically, a Standard Franchise Agreement will have a Territory large enough to include 1,600 – 2,000 Retail Food Service Customers in that territory.

If you request a larger Territory, we may grant a larger Territory to you, at our discretion, upon the payment of an extra fee of $4,500, for an additional 225 (approximately) Retail Food Service Customers, for a total initial franchise fee of $23,000.

Other than situations where a franchisee desires a larger than normal Authorized Territory, the initial franchise fee is uniform for all franchisees.

Each Business is operated pursuant to a separate Franchise Agreement, and this fee must be paid to us in a lump sum when each Franchise Agreement is signed.

The Initial Franchise Fee is deemed fully earned and nonrefundable upon payment, except in two situations: (1) if we disapprove your application, or (2) if we determine during initial training, in our sole discretion, that you (or your managing partner or shareholders) are not qualified to manage a Hood Guyz® Business.

In addition to the Initial Franchise Fee, you will also pay us for the Equipment Package when you sign the Franchise Agreement. The Equipment Package fee is $9,500 (regardless of the size of your Territory).

The Equipment Package fee is deemed fully earned and nonrefundable upon payment, except that if we terminate your franchise agreement as provided above before we have delivered the equipment to you, we will refund the Equipment Package fee.

ITEM 6
OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Renewal Fee	$4,500	When you sign the then-current form of franchise agreement for renewal	Payable if you want to renew the franchise.
Royalty Fee	10% of total Gross Sales of the Business	Within 5 days of the end of each calendar week	See definition of "Gross Sales" in note 1 below.
Interest	Lesser of 18% per year or maximum lawful rate (Note 2)	As Incurred	Payable if any payment owed to us is overdue.
National Advertising Fee	Currently $0 per week. Up to 3% of total Gross Sales of the Business	Within 5 days of each calendar week	Funds the advertising fund (if implemented).
Initial Direct Mail Local Marketing Expense	Currently $.703 per restaurant in your territory. Estimated cost of $1,124.80 per 1600 restaurant territory.	Expended according to our marketing program prior to and during your first three months of operation.	Paid by you to us to pay for direct mail advertising we conduct on your behalf to promote your business.
Uncollected Account Chargeback	Amount of uncollected account along with any service charges	Upon demand	The charge back is payable if any account receivable we have advanced to

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	incurred such as credit card fees and bank fees		you under the Cash Flow Program is uncollected after 90 days. The service charges are payable as incurred.
Voluntary Sales Support Program (Note 3)	No charge at this time, but we reserve the right to charge $90 per week for this program.	Within 5 days of the end of each calendar week	Payable if we decide to charge for this program.
Hood Guyz Technology Licensing Fee	$50 per month per user. We reserve the right to increase cost to offset any increased cost incurred by us.	Due by automatic debit each month.	This includes Hood Guyz Franchise Management software.
Additional Training Fees	A reasonable fee which we determine at the time of additional training	Before attending additional training	If we offer or require you or your personnel to attend additional training, seminars, or refresher training, we may impose a reasonable fee for such attendance.
Convention Fee	No charge at this time, but we reserve the right to charge at a later time ($250 to $500 per day).	Upon demand	Payable if we sponsor periodic conventions.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Advertising Material Fees	A reasonable cost to be set based upon the material requested or provided	At the time we furnish advertising material to you	We may require you to reimburse us for advertising materials that you ask us to produce.
Internet Marketing Fee	1% of Gross Sales	Monthly	You agree to pay this fee to us to support internet marketing efforts.
Technology Fee	$70/month	Monthly	You agree to pay this fee to us to support our technology platforms.
Alternative Supplier Fee	Our actual costs to evaluate the alternative supplier	At the time we incur the cost	If you request that we allow the purchase of equipment or supplies from an alternative source, you agree to reimburse us our actual costs in considering and evaluating the alternative supplier.
Insurance Procurement Fee	Our cost to acquire insurance plus 20% of insurance premium payments	Upon demand	If you fail to obtain the required insurance, we have the right to obtain it for you and to charge you for the actual premium plus our fee.
Audit Expenses	Cost of audit plus interest at 1.5% per month	10 days after receipt of audit report	Payable only if under payment is greater than 2% of reported amounts.
Costs and Attorney's Fees	Will vary under circumstances	As Incurred	Payable as incurred by us for your default under the Franchise Agreement or if we are the prevailing party in litigation with

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			you.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us for damages and costs if any claim is made against us arising from your Business.
Training Resources Fee	A reasonable fee which we determine at the time of furnishing training resources	At the time of purchase	If you request training resources to help train your employees.
Transfer Fee	25% of the then-current initial franchise fee per unit	At the time the transferee executes the Franchise Agreement or when the transfer otherwise becomes effective	Payable to us when the Franchise Agreement or a material portion of the assets in the business or any interest in it is transferred.
Expenses on Death or Disability	Actual expenses we incur	As incurred	You must pay to us any expenses we incur to temporarily run your franchise if you die or become disabled.

*All fees are uniformly imposed, collected and paid to us. None of the fees described in this item is refundable.

Note 1: The term “Gross Sales” means all revenue accrued from the sale of all products and performance of services in, at, upon, about, through or from the Franchised Business, whether for cash or credit and regardless of collection in the case of credit, and income of every kind and nature related to the Franchised Business including insurance proceeds and/or condemnation awards for loss of sales, profits or business; provided, however, that “Gross Sales” shall not include revenues from any sales taxes or other add on taxes collected from customers by Franchisee for transmittal to the appropriate taxing authority, (the retail value of any complimentary services or trade-outs or credit card discounts from Gross Sales up to a maximum of 2% of Gross Sales in the aggregate), and the amount

of cash refunds to, and coupons used by customers, provided such amounts have been included in gross sales, but shall not include income from any specific product when the State, City or County that your franchise is located in specifically forbids such practice, and only then. The sale and delivery of products and services away from the Business is strictly prohibited; however, should we approve such sales in the future, these sales will be included in computing Gross Sales.

Note 2: The highest interest rate allowed in California is 10% annually.

Note 3: The Voluntary Sales Support Program is optional. Each franchisee will have the choice whether to participate.

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ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Estimated Amount		Method of Payment	When Due	To Whom Payment is to be Made
	Low	High			
Initial Franchise Fee (1)	$18,500	$23,000	Check	Upon signing of the Franchise Agreement	Us
Equipment Package (2)	$9,500	$9,500	Check	Upon signing of the Franchise Agreement	Us
Truck– New (3)	$1,800	$2,325	Check	As Agreed	Approved Supplier
Vehicle wrap / Signage (4)	$2,000	$3,500	Check or Charge	Before opening	Third-parties
Initial Inventory (5)	$0	$0	Not applicable	Not applicable	Not applicable
Training Expenses (6)	$2,500	$3,000	Check/Charge	As incurred	Airlines, hotels, restaurants, etc.
Initial Marketing Materials (7)	$100	$200	Check/Charge/EFT	As incurred	Us or Approved Outside Suppliers
Utilities/Licenses (8)	$500	$750	Check/Charge	At time of expense	Third parties
Furnishing / Fixtures (9)	$200	$300	Check/Charge	As incurred	Third party suppler
Computer / Fax / Internet (10)	$2,000	$2,400	Check/Charge	As incurred	Supplier
Parking (11)	$0	$300	Cash/Check/ Charge	As incurred	Supplier
Additional Funds – 3 months (12)	$15,000	$20,000	Check/Charge	As Agreed	Various Suppliers
TOTAL (13)	**$52,100**	**$65,275**			

Except as described in Item 5, none of the fees payable to us are refundable. Whether fees paid to third parties are refundable would depend upon their policies.

Explanatory Notes:

(1) Franchise Fee. The initial Franchise Fee is $18,500 for a Standard Territory, $23,000 for a large territory.

(2) Equipment Package. This line item is for our standard Equipment Package which includes: Washing system and Water Recovery Unit. We base this amount on your purchase of the Equipment Package outright for $9,500. However, we anticipate that most franchisees will finance the purchase of the Equipment Package along with the cost of the Truck, described just below, over a 60-month term with no down payment, thus lowering the amount of funds you would be required to spend in your first 90 days of operation by approximately $9,000.

(3) Truck -- This line item is for a specially-equipped truck. We base this amount on three monthly payments for your financing the purchase of the truck over a 60-month term with no down payment. If you instead purchase the truck outright, you will incur a cost of $34,000 to $38,000.

(4) Vehicle wrap / Signage – You will need to wrap your vehicle and obtain signage pursuant to our specifications. Your cost may vary.

(5) Initial Inventory -- We supply you with an estimated start-up package kit of cleaning chemicals, replacement parts, and supplies that lasts approximately 3 months. This amount will vary in relation to the initial volume of business conducted by each Unit. This is totally dependent on the franchisee's workload. Your ongoing inventory costs will likewise vary depending on the volume of business conducted by each Unit. We estimate your ongoing inventory costs will be approximately $600 to $750 per month (after the initial start-up package is depleted).

(6) Training -- This line item is for lodging, meals and travel expenses for at least two people attending the management training program.

(7) Initial Marketing Materials – This line item is for initial marketing materials you may choose to purchase such as business cards.

(8) Utilities / Licenses -- This line item is for utility deposits, licenses, and permit costs.

(9) Furnishings / Fixtures -- This line item is for the furnishings and fixtures you will need to operate a Unit. This business is completely mobile, so you will simply need a desk, chair, and filing cabinet to work and store certain records relating to the business.

(10) Computer / Fax / Internet –This line item is for a basic personal computer with Internet access, a fax machine or fax service, and 3 months of Internet service.

(11) Parking – This line item is for parking any expenses associated with parking and storage of the truck for 3 months. The standard truck fits in a standard-sized garage. If

any ordinances, bylaws, neighborhood regulations or similar rules prohibit you from parking the truck at your house, the estimated cost for off-site parking is about $100 per month.

(12) Additional Funds. Additional funds is an estimate of the funds needed to cover pre-opening expenses including initial employee wages, insurance premiums, uniforms, recruitment, as well as additional operating capital for other variable costs (e.g. telephone and utility costs, etc.), paper, cleaning, and other supplies. Additional funds are also an estimate of the monies you will need on hand during the initial phase of business operations. We estimate that the initial phase will last about 3 months. These pre-opening and post-opening figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors such as: how well you follow our methods and procedures, your management skill, experience, dedication, and business acumen, local economic conditions, the local market for your goods and services, the prevailing wage rate, competition, and the sales level reached during the initial period. We relied on our experience and the experience of our employees in working for another cleaning service franchisor in formulating the amount of additional funds.

(13) Total Estimated Initial Investment. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. You will also need sufficient capital to pay for your living expenses for at least 12 months.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

The Goods or Services Required to be Purchased or Leased

Computer Hardware and Software:

You must purchase a computer, smart phone with Internet access, a printer, and fax machine pursuant to our specifications. You may purchase these items from any vendor. You must purchase bookkeeping software as we specify. And you must utilize our then current Hood Guyz Franchise Management Software System ("Hood Guyz Software") in the operation of the Franchised Business. And you must use Quickbooks online and sync it into our software.

Email and Website:

You must obtain an email address pursuant to our specifications and may have to subscribe to and pay for a customized website connected to our web site, and managed by our website provider.

Equipment:

You shall install and use equipment, signs, furnishings, supplies and fixtures only in accordance with the standards and specifications recommended by us.

Insurance:

You must maintain in force at your expense the insurance coverage we require. You must source your business liability insurance as we may specify in the Manual from time to time, presently from from Hagar Insurance, Inc. 41891 Kalima Street, Suite B, Murrietal, CA 92562 or an alternate insurance carrier that we may designate in the future. All liability insurance policies must name us as additional insured and provide us with 30 days prior written notice of termination, expiration, cancellation or modification of any policy. The terms and conditions of all policies, including the amount of any deductibles, will be consistent with the requirements we prescribe in the Operations Manual or otherwise in writing. We may also reasonably increase the minimum liability requirements annually and modify the insurance requirements. You must provide us annually with satisfactory evidence of the renewal or extension of each insurance policy or any modifications to any insurance policy that must describe the applicable deductibles for each policy. Your obligation to maintain the required insurance is not limited by any insurance we maintain.

Proprietary Items:

We reserve the right to require you to purchase designated proprietary items and products, and products bearing our marks, as specified in the Manual from time to time, from us or our affiliates or from sources designated or approved by us.

Signs:

You shall purchase or lease, subject to local building, vehicle and other codes and regulations, such signs and vehicle wraps as required by us. Upon renewal of the Franchise Agreement, you are responsible for obtaining and equipping the Franchised Business with the signage that is approved for use by us then. The color, size, design and location of said signs and vehicle wraps shall be as specified and/or approved by us.

Truck and Equipment Package:

To ensure uniformity and quality of services by all franchisees, you must purchase the truck and equipment package, vehicle wraps and signs, tools, safety equipment, uniforms, marketing materials, insurance and some other items used in the establishment and operation the franchised Business according to our written specifications, if any. You must also purchase certain services used in the establishment and operation of the Franchised Business according to our written specifications. These specifications may include minimum standards for quality, performance, design, appearance, delivery, and other restrictions. These specifications are contained in the Operations Manual or will otherwise be provided to you in writing. We may periodically change these specifications, by written notice to you or through changes to the Operations Manual, and you must

promptly comply with the changed standards following notice to you. You may incur expenses or increased costs to comply with these changes.

You must purchase or lease the truck and equipment package, Hood Guyz supplies, certain other items and services only from suppliers that we have approved in writing. A complete list of these items and services, and the approved suppliers for each, will be contained in the Operations Manual or will otherwise be provided to you in writing. The approved suppliers will have demonstrated to our satisfaction that they have the ability to meet standards and specifications for the relevant items and services, that they possess adequate quality controls, and that they have the capacity to supply your needs promptly and reliably. We have the right to change the list of approved suppliers, and you must promptly change suppliers if required.

Uniforms:

You shall require your employees to wear uniforms and such uniforms shall be of such design and color as we may prescribe from time to time.

Whether We or Our Affiliates Are Approved Suppliers

We are currently the sole approved supplier for the Equipment Package (wash equipment), wash supplies, and Hood Guyz Franchise Management Software System ("Hood Guyz Software"). We or our affiliates are not an approved supplier of any other items or services; however, we and our affiliates may become the approved suppliers and/or the sole approved supplier of additional items or services in the future.

Officer Interests in our Suppliers

Our officer, Vincent Garcia, owns an interest in us.

Alternative Suppliers

We do not have any formal criteria for approving suppliers and hence these criteria are not available to you. The primary factors we consider in evaluating alternative suppliers are financial strength, quality control, and capacity to supply Franchisee needs promptly and reliably. You may contract with alternative suppliers who meet our standards only upon express written consent. You must pay to us any actual cost we incur to evaluate a new supplier. If you desire for us to evaluate an alternative supplier, we require you to send us a written request. We may require a sample, inspection of the facilities of the proposed supplier, or testing of items produced by that supplier. We will notify you within 90 days if we approve or disapprove of the alternate supplier. We revoke approvals by written notice to franchisees.

Issuance of Specifications

We issue specifications and standards to franchisees or approved suppliers through our Operations Manual or through informational bulletins we issue from time to time.

Revenue from Required Purchases

We will derive revenue from the sale of items or services to you.

In our last fiscal year (2019), we received $19,000 from the sale of Equipment Packages to our franchisees representing .9% of our total revenue of $1,964,983.

Required Purchases and Leases as a Proportion of Costs

We estimate that required purchases are about 70-90% of the cost to establish a franchised Business and about 5-25% of total operating costs for goods and services after establishing a franchised Business.

Supplier Payments to Us

Approved suppliers may make payments to us on account of required purchases or leases by franchisees. Currently, we do not have any such arrangements in place though.

Purchasing or Distribution Cooperatives

We do not have any purchasing or distribution cooperatives.

Purchase Arrangements

We may attempt to negotiate purchase arrangements from approved suppliers for the benefit of our franchisees, based upon the combined buying power of the franchise network. These discounts, if obtained, may result in lower prices for the items being purchased or other benefits such as reduced prices for warehousing, delivery and other services. Currently, we have no purchase arrangements.

Material Benefits to Franchisee

We do not provide material benefits to franchisees based on a franchisee's purchase of particular products or services or use of particular suppliers. However, to be eligible to renew your franchise agreement, you must be in compliance with it, including supplier purchase standards, and we may terminate your franchise agreement if you breach it.

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.

FRANCHISEE'S OBLIGATIONS		
OBLIGATION	**SECTION IN FRANCHISE AGREEMENT**	**ITEM IN DISCLOSURE DOCUMENT**
a. Site selection and acquisition / lease	Section 20.B.	11
b. Pre-opening purchases / leases	Section 9.E.	8
c. Site development and other pre-opening requirements	Sections 8, 12.G.,	7 and 11
d. Initial and ongoing training	Section 20.A., 20.C.	11
e. Opening	Section 9.A.	11
f. Fees	Sections 7(B)(5), 10, 13(E), 14(B), 16(C), 18, 20(A)(2), 22(A)(5), 22(C), 25(F)	5, 6, 7, 11
g. Compliance with standards and policies/ operating manual	Sections 12, 14	11
h. Trademarks and proprietary information	Sections 15, 16	13 and 14
i. Restrictions on products / services offered	Section 12.I	11 and 16
j. Warranty and customer service requirements	Section 11.A.3	Not applicable
k. Territorial development and sales quotas	Section 6	12
l. On-going product / services purchases	Section 12.I	8
m. Maintenance, appearance and remodeling requirements	Section 12.E	11
n. Insurance	Section 13	7 and 8
o. Advertising	Section 10.B., 10.C	6, 7, and 11
p. Indemnification	Section 18	6
q. Owner's participation / management / staffing	Sections 12.F, 12.K	11 and 15
r. Records and reports	Section 14	11

FRANCHISEE'S OBLIGATIONS		
OBLIGATION	**SECTION IN FRANCHISE AGREEMENT**	**ITEM IN DISCLOSURE DOCUMENT**
s. Inspections and audits	Sections 12.S, 14.B	6
t. Transfer	Section 22	17
u. Renewal	Section 7.B	17
v. Post-termination obligations	Section 24	17
w. Non-competition covenants	Section 19	17
x. Dispute resolution	Section 25	17

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligation.

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

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

Before you open your Business, we will:

(1) Provide an initial training program. (Franchise Agreement Sections 12.U, 20.A)

(2) Provide to you access to the confidential Operations Manual, for the operation of a Hood Guyz® Business, containing mandatory and suggested specifications, standards and operating procedures required by us and information relative to your other obligations under the Franchise Agreement. We have the right to add to, and otherwise modify, the Operations Manual to reflect changes in authorized products and services, as well as changes in specifications, standards and operating procedures of a Hood Guyz® Business. (Franchise Agreement, Section 20.D)

(3) Provide you with a list of any approved suppliers. (Franchise Agreement, Section 20.E)

(4) Provide recommended price schedules. (Franchise Agreement, Section 20.F)

(5) Conduct a direct mail campaign to assist in the launch of your Business. (Franchise Agreement, Section 20.G)

(6) Provide you the requirements for a standardized system for accounting, cost control, and inventory control. (Franchise Agreement Section 20.H)

(7) Provide to you billing services. (Franchise Agreement, Section 20.I)

(8) Provide the Hood Guyz Franchise Management Software System to assist in the operation of the Business. (Franchise Agreement, Section 20.J)

Site Selection

You select the actual site of your business headquarters within the Territory provided in the Franchise Agreement. You may work from home or any location in your Territory. We do not provide any assistance in site selection, and we do not need to approve the location of your headquarters. (Franchise Agreement, Section 20.B.)

Opening

We estimate that there will be an interval of time of 60 days between the signing of the Franchise Agreement and the opening of your Hood Guyz Business. The factors that may affect this length of time include completing the training program, obtaining necessary licenses and permits, and obtaining equipment and supplies with which to operate the franchised business. (Franchise Agreement Section 12.G)

During your operation of the Business, we will:

(1) At our discretion, provide to you and your personnel, Hood Guyz® continuing advisory assistance, training resources or refresher training at locations designated by us, which may be at your cost. (Franchise Agreement, Section 20.A)

(2) Provide continuing operational assistance. (Franchise Agreement, Section 20.C)

(3) Provide you with continuing access to the Operations Manual and any updates. (Franchise Agreement, Section 20.D)

(4) Provide you with a list of approved suppliers. (Franchise Agreement, Section 20.E)

(5) Advise you from time to time concerning suggested retail prices. (Franchise Agreement, Section 20.F)

(6) Provide advertising materials or assistance. (Franchise Agreement, Section 20.G)

(7) Provide you with the requirements for a standardized system for accounting, cost control, and inventory control. (Franchise Agreement, Section 20.H)

(8) Provide continued access to Hood Guyz Franchise Management Software System. (Franchise Agreement, Section 20.I)

(9) Provide billing services. (Franchise Agreement, Section 20.J)

(10) Under our Cash Flow Program, we will purchase from you your accounts receivable within 30 days after submission of services performed. We will pay you the net amount of your receivables after any charge-backs, discounts or credits, and after deducting our royalty fee, our Cash Flow Program Fee, and any other fees or amounts owed to us by you. We will then own and collect your receivables. However, if we are unable to collect the full amount of any of your receivable after 90 days, we will charge back to you (and you must pay us) the amount of these uncollectable receivables. (Franchise Agreement, Section 10.D)

(11) We or an affiliate will sponsor and maintain the official Hood Guyz® web site. So long as you are not in default under the Franchise Agreement, we will cause your Business to be listed on this web site. (Franchise Agreement, Section 12.W)

Advertising Program and Fund:

Advertising Program:

We have the right to maintain and administer a central advertising fund (the Fund) for such advertising or public relations programs as we, in our sole discretion, may deem appropriate to promote the Hood Guyz® concept. If implemented, we will direct all such programs, and will have sole discretion over the creative concepts, materials, and endorsements and media used in such programs, and the placement or allocation of such programs.

If implemented, we may engage in national, regional and/or local advertising, which may be disseminated via internet, television, radio, other electronic means, social media, newspapers, industry magazines, directories, direct mail and/or other collateral materials. We may use marketing agencies to create and place any advertisements, with the participation and supervision of our in-house staff. We may also engage in other types of national, regional and local marketing programs. We reserve the right to determine in our sole discretion the composition of all geographic territories and market areas for the implementation and development of such programs.

We are not required to spend any particular amount on advertising in the area or territory where you will be located.

Advertising Fund:

If we elect to implement the Fund, you and other franchisees will uniformly be required to pay to us a National Advertising Fee in an amount to be designated by us in our sole discretion, but this fee will not exceed 3% of your Total Gross Sales. If implemented, businesses owned by us will also be required to participate in the Fund in the same manner as all of our franchisees. We administer the Fund. The Fund is not audited. However, we will make unaudited financial statements of the Fund available to franchisees upon written request.

We may spend, on behalf of the Fund, in any fiscal year an amount greater or less than the aggregate contribution of all Hood Guyz® Franchisees in that year, and the Fund may borrow from us or others to cover deficits or invest any surplus for future use. Any Funds not used in a given year will carry over to future years. We will not use Fund contributions to solicit new franchise sales.

We did not raise or spend any National Advertising Fees in the last fiscal year ending December 31, 2019.

Local Advertising

Initial Direct Mail Local Marketing Expense. We conduct direct mail to promote your business prior to and during your first three months of operation. You agree to reimburse us our cost of this program in the approximate amount of $.703 per restaurant in your Authorized Territory.

Otherwise, you shall not be required at this time to contribute to, or to partake in, any local advertising or local marketing plan. At this time any local advertising and/or marketing is up to the Franchisee and at Franchisee's sole cost and expense, and is subject to Franchisor's prior written approval. We have the right to require you in the future to spend certain amounts or percentages of your Gross Sales on approved local marketing, up to the greater of $2,600 or 1% of your Gross Sales each month.

Internet Marketing

You agree to pay to us a monthly fee of 1% of Gross Sales earned in the prior month to support internet marketing efforts.

Use of Franchisee Advertising Material

You are free to undertake additional advertising at your own expense, but all of your advertising programs, including materials used, must be approved by us in advance of their use.

Advertising Council

We do not have an advertising council composed of franchisees that advise us on advertising policies.

Local or Regional Advertising Cooperatives

You do not have to participate in a local or regional advertising cooperative.

Voluntary Sales Program

We may implement a Voluntary Sales Support Program for our franchisees who desire to participate. If implemented, this program would provide an ongoing sales effort for each participating franchisee in its territory performed by our in-house sales staff. This sales effort will primarily consist of: (1) 8 hours per week of telephone sales calls (telemarketing) to prospective customers for the franchisees; (2) setting up sales appointments with prospective customers for the franchisees; and (3) setting up courtesy inspections for prospective customers for the franchisees. The cost of this optional program is currently $0 per week. We may adjust the amount of weekly fee annually.

Operations Manual

Our Operations Manual presently contains 461 pages. The table of contents of the Operations Manual as of our last fiscal year end is attached to this disclosure document as Exhibit C.

Computer System

You must have a personal computer and smart phone with Internet access, a printer and a fax machine or service for use in the franchised Business, and you must use QuickBooks online for your Business accounting and sync it into our software. You must use your business computer for your business accounting and reports. Your computer will store and manage information regarding your customer accounts, such as customer contact information, services rendered, accounts receivable, and payments received. Your computer must be capable of connecting to the Internet, sending and receiving email messages, printing reports, and running QuickBooks software. You must utilize our then current Hood Guyz Franchise Management Software System ("Hood Guyz Software") in the operation of the Franchise Business.

We estimate that the cost of purchasing a basic computer, smart phone, printer, fax machine or service, and software suitable for the Business is $2,000 to $2,500, including 3 months of Internet service. We do not have any obligation to provide ongoing maintenance, repairs, upgrades or updates to your computer system.

Neither we nor any affiliate or third party is obligated to provide ongoing maintenance, repairs, upgrades, or updates, however we intend to keep the Hood Guyz Software up to date. You are required to upgrade or update the computer system during the term of the franchise. There are no contractual limitations on the frequency and cost of the obligation to upgrade or updated. We estimate the annual cost of any optional or required maintenance, updating, upgrading, or support contracts at $250-$500.

We may have independent access to the information that will be generated or stored in your computer system, such as business and customer information. There are no contractual limitations on our right to access the information.

Web Site and Social Media

We or an affiliate sponsors and maintains the official Hood Guyz website. We or an affiliate will list your Business on our website so long as you are not in default under the Franchise Agreement. You may have to subscribe to, and pay for, a customized website connected to our website and managed by our website provider. You may not implement a website on your own or through a third party provider without our prior written approval.

You must also agree to register the online listings that we designate, and to update them only as instructed by us. This may include, but is not limited to, keeping up-to-date information on your business page, Micro-site and other social media sites such as Facebook, Google Places and BizBrag. We have the right to require you to remove any inappropriate or inaccurate content immediately. You may not list your Business with any Internet directories, without our permission.

Email

You must use an email name that we have approved and that will have, as its suffix, "@HoodGuyz.com." Emails sent to you at HoodGuyz.com will be automatically forwarded to you at your electronic mail account.

Initial Training

Before the opening of your Hood Guyz Business, you (or, if the Franchisee is an entity, a principal of Franchisee) and up to two (2) management personnel of yours) shall attend and complete to our satisfaction the management training program offered by us at our company headquarters in the Pembroke Pines, Florida area (the "Introductory Training Program") on the operation of a Hood Guyz Business. The Introductory Training Program is free of charge to you, your manager, and key personnel, except that you are responsible for costs associated with attending the program such as travel, room and board.

If we determine that any proposed manager is not qualified to manage a Hood Guyz® Business, we will notify you, and you may then select and enroll a substitute manager in such training program. If, during the Introductory Training Program, we determine, in our sole discretion, that you (or your principals) are not qualified to manage a Hood Guyz Business, we have the right to terminate the Franchise Agreement and we will refund the initial franchise fee, without interest.

Our initial training program is offered on an as-needed basis, typically within 2 weeks after the signing of your franchise agreement, and consists of approximately 2 weeks of training.

We use the Operations Manual, PowerPoint presentations, and cleaning equipment as instructional materials during initial training.

We provide the following initial training:

TRAINING PROGRAM			
SUBJECT	**HOURS OF CLASSROOM TRAINING**	**HOURS OF ON-THE-JOB TRAINING**	**LOCATION**
Operation and Technical training on equipment care and function	0	25 to 30	Our Support Center in Oakland Park, Florida
Technical Training – Standards, Guidelines, Implementation	2	5 to 10	Our Support Center in Oakland Park, Florida
Bookkeeping and record keeping; office procedures	1	1	Our Support Center in Oakland Park, Florida
Sales and marketing	1	0	Our Support Center in Oakland Park, Florida
Growing your business	1	0	Our Support Center in Oakland Park, Florida
TOTALS	5	30 to 40	

Our trainer and the nature and length of his experience in the industry and with us are as follows:

Vincent Garcia, President & CEO – more than 20 years' experience in administration and operations of pressure cleaning businesses.

Additional Training

After the opening of your Hood Guyz Business, we will provide training to any new manager of your Hood Guyz® Business. In addition, we have the right to require that you (or your managing principals) and any employees additional or refresher training programs, to be furnished at our National Headquarters in the Pembroke Pines, Florida area. We reserve the right to impose a reasonable fee for these additional trainings which we determine at the time of additional training. You are responsible for costs associated with attending training, such as travel, lodging, and meals.

We may also offer training resources, for a reasonable fee that we will determine at the time, to assist you in training your employees.

After the opening of your Hood Guyz Business, we may conduct an annual convention at such place as shall be designated by us. You must pay a registration fee to us for each participant and you will be responsible for other costs associated with attending the convention such as travel, room and board.

ITEM 12
TERRITORY

You must operate your Business within the geographical area described in the Franchise Agreement (the "Authorized Territory"). You may operate from your home or any location in your Authorized Territory, which such location is not subject to our approval.

Typically, the Authorized Territory will be based on a total count of 1,600 – 2,000 Retail Food Service Operations.

If you request a larger Territory, we may grant a larger Territory to you, at our discretion, upon the payment of an extra fee of $4,500, for an additional 225 (approximately) Retail Food Service Customers, for a total initial franchise fee of $20,000.

The Authorized Territory will typically be described by political boundaries or zip codes.

You may relocate the franchised business within your Authorized Territory at any time without our permission.

We do not grant options, rights of first refusal, or similar rights to acquire additional franchises.

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

After your first full year of operation, you must maintain the following Minimum Gross Monthly Sales Requirement:

Months in Operation	**Minimum Gross Monthly Sales**
Greater than 0 bet less than 12	No Minimum
Greater than 12 but less than 24	$8,666
Greater than 24 but less than 36	$13,000

Months in Operation	Minimum Gross Monthly Sales
Greater than 36 but less than 48	$17,333
Greater than 48	$21,666

If you do not achieve the required Minimum Gross Sales for any period of two or more consecutive months after 12 months in operation or any three out of six month period, we may collect a Royalty equal to what you would have been assessed had you achieved the Minimum Gross Sales for those months. In addition, if you fail to achieve Minimum Gross Sales as specified in this Agreement, we may also allow another franchisee to advertise and service Customers in your territory. If you have more than one franchise agreement, your royalty rates for each franchise agreement may be averaged and aggregated together to form one royalty rate and threshold scale (if applicable) for all of your franchise agreements.

We or an affiliate reserves the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using our principal trademarks but only in these four ways: (1) to direct customers to your outlet; (2) to advertise, market and sell Hood Guyz branded and trademarked products such items as chemicals, t-shirts, and other items; (3) if you do not meet Minimum Gross Monthly Sales as described above, (4) if you decline to service a National Account in your Authorized Territory, as described below.

We and any affiliate have not established, and do not presently intend to establish, other franchises or company-owned businesses selling or leasing similar products or services under a trade name or trademark different from “Hood Guyz” Marks. However, we reserve the right to do so.

We do not have to pay you any compensation for soliciting or accepting orders from inside your Authorized Territory.

National Accounts. We may have national accounts and some of these national accounts may require services in your Authorized Territory. If so, you will have the right to provide services for the national account in your Authorized Territory, so long as you are not in default under your franchise agreement. There is no charge for you to participate in national account services, and your participation is not mandatory. If you elect to participate, you must comply with the terms (including pricing and service requirements) of our national account agreement. If you elect not to participate in a national account involving services to be provided in your Authorized Territory, we may, upon 10 days written notice to you, allow a franchisee or affiliate to service that national account in your Authorized Territory without any liability to you whatsoever.

You may not solicit or accept orders from customers outside of your Authorized Territory (including by use of the internet, mail order catalog, telemarketing, etc.).

However, with prior consent from another franchisee, you may perform work in their Authorized Territory if you pay them a 10% royalty on Gross Sales made in their Authorized Territory.

Neither we nor an affiliate operates, franchises, or has plans to operate or franchise a business under a different trademark that sells or will sell goods or services similar to those you will offer.

ITEM 13
TRADEMARKS

The franchise agreement licenses to you the right to use the following trademarks ("Marks") registered with the U.S. Patent and Trademark Office ("USPTO").

Description of the mark	Registration number	Principal or Supplemental Register of the USPTO	Registration date
HOOD GUYZ	4,773,871	Principal	July 14, 2015
	4,773,872	Principal	July 14, 2015

We have filed all required affidavits.

There are currently no effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or any court; or any pending infringement, opposition, or cancellation proceeding in which we unsuccessfully sought to prevent registration of a trademark in order to protect a trademark licensed by the franchisor. There are no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

We have a written License Agreement with Bret James, the owner of the trademarks listed in the table above, dated August 5, 2015, which grants to us the right to use the mark in connection with this franchise program and to sublicense the right to you. The License Agreement is perpetual in duration and may be terminated upon a material breach not remedied after 30 days' written notice. If the License Agreement is terminated, your rights to use the trademarks would cease unless and until other permission to use the trademarks was granted.

There are no other currently effective agreements that significantly limit our right to use or license the use of our Proprietary Marks.

If you learn of any claim against you for alleged infringement, unfair competition, or similar claims against you arising out of your use of the Principal Marks you must promptly notify us. We are not obligated to protect your right to use the Principal Marks. You are obligated to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to a Principal Trademark licensed to you. We are not required to take affirmative action when notified of these uses or claims. We have sole discretion to control any administrative proceeding or litigation involving a trademark licensed by the franchisor to the franchisee. We are not obligated by the Franchise Agreement to participate in your defense or to indemnify you for expenses or damages if you are a party to any administrative or judicial proceeding involving the Marks.

You may not, without our written consent, in our sole discretion, commence or prosecute, or seek leave to intervene in, any litigation or other proceeding, including any arbitration proceeding, in which you purport to enforce any right or recover any element of damage arising from the use or infringement of any of the Marks or unfair competition resulting therefrom.

If we decide it becomes advisable, in our sole discretion, to modify or discontinue use of any Mark, you must comply with our relevant directions within a reasonable time after notice by us. You may be required, at your own expense, to remove existing signs associated with your Hood Guyz Business, and to purchase and install new signs. We will not reimburse you for any of your expenses in modifying or changing your use of the Marks.

We do not know of any superior prior rights or infringing uses that could materially affect your use of our Marks anywhere.

All your usage of the Marks and any goodwill you establish is to our exclusive benefit and you retain no right or rights in the Marks on the termination or expiration of the Franchise Agreement. You may not use our name or the Marks as a part of any corporate or trade name, nor may you use any trade name, trademark, service mark, emblem or logo other than the Marks, as we may designate. You must prominently display the Marks on such items and in the manner we designate. You may not use our name or Marks in connection with the sale of an unauthorized product or service or in a manner not authorized by us in writing. You must obtain such fictitious or assumed name registrations as we require or under applicable law. You must identify yourself as the owner of your Business by placing your name on the Business and on all checks, invoices, receipts, contracts and other documents that bear any of the Marks, and on all printed materials your name must be followed by the phrase "A franchisee of Tri-Way Cleaning Services, Inc." or such other phrase as we direct.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We claim copyright protection of our Operations Manual, software and related materials, and advertisement and promotional materials although such materials may not have been registered with the United States Copyright Office ("Copyright Office"). These materials are considered proprietary and confidential and are considered our property and may be used by you only as provided in the Franchise Agreement. We reserve the right to register any of our copyrighted materials at any time we deem appropriate.

There are no current material determinations of the Copyright Office or any court regarding any of the copyrighted materials. There are no agreements in effect that significantly limit our right to use or license the copyrighted materials. We are not required by any agreement to protect our copyrights. There are no infringing uses actually known to us which could materially affect your use of the copyrighted materials in any state.

We possess certain confidential information including the methods, techniques, formats, specifications, procedures, information, systems and knowledge of and experience in the operation and franchising of Hood Guyz Businesses (the Confidential Information). We will disclose certain of the Confidential Information to you during the training programs, seminars and conventions, the Operations Manual and in guidance furnished to you during the term of the Franchise Agreement.

The Franchise Agreement provides that you will not acquire any interest in the Confidential Information other than the right to utilize it in the development and operation of a Hood Guyz Business during the term of the Franchise Agreement, and that the use or duplication of the Confidential Information in any other business would constitute unfair competition. You also agree that the Confidential Information is proprietary to us and is disclosed to you solely on the condition that you (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of the Franchise Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form; and (4) will adopt and implement all reasonable procedures required by us to prevent unauthorized use or disclosure of the Confidential Information, including without limitation, restrictions on disclosure thereof to employees of the Business and the use of nondisclosure and noncompetition clauses in employment agreements with such persons.

There are no patents or pending patent applications that are material to the franchise.

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

The Franchise Agreement provides that your Hood Guyz Business must at all times be under your direct, day-to-day, full time supervision (or if you are an entity, then a

managing owner of the entity, approved by us) or the manager of your Hood Guyz Business who is approved by us. This person must have successfully completed the training program to our satisfaction.

You (or your approved manager or managing owner, if you are an entity) must devote his or her direct, day-to-day, full-time attention and best efforts in the operation of your Hood Guyz Business, and may not own, operate, manage, work at or engage in any other business during the term of the Franchise Agreement.

If you are an entity, each owner must personally guarantee your obligations under the Franchise Agreement, and also agree to be personally bound by, and personally liable for the breach of, every provision of the Franchise Agreement, agree to be bound by the confidentiality provisions and noncompetition provisions of the Franchise Agreement and agree to certain restrictions on their ownership interests. Spouses are not required to sign a Guaranty. The required Guaranty of Obligations is attached as Schedule 1 to the Franchise Agreement.

We also reserve the right to require managers who are not franchise owners or principals of a franchisee that is an entity to sign a confidentiality agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You are required to offer for sale only approved products and services specified by us in the Operations Manual and any updates to be incorporated in the Operations Manual. You may not offer for sale any products or services not specifically approved by us in writing and you may not use Hood Guyz vehicles, equipment or premises for any other purpose than the operation of your Hood Guyz Business and the sale of products and services approved by us.

We have the right to change the approved items and services, and there are no limits on our right to make these changes. You must begin to offer and sell any new items or services we approve in writing, and stop offering and selling any items or services we disapprove, within the time period we require.

You may advertise to sell Hood Guyz products and services only to customers located within your Authorized Territory. Except as noted in this Item 16, we place no restrictions upon your ability to serve customers provided you do so from the location of the Business in accordance with our standards.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP		
Provision	**Franchise Agreement**	**Summary**
a. Length of the franchise term	Section 7.A.	10 years
b. Renewal or extension of the term	Section 7.B.	One 10-year renewal if you meet certain requirements
c. Requirements for franchisee to renew or extend	Section 7.B.	Written notice, full compliance, sign then-current form of franchise Agreement, comply with then-current qualification and training requirements, renovate (if applicable), sign a release, and pay a fee. The new agreement may have materially different terms than those contained in your original contract.
d. Termination by franchisee	Section 23.D.	If we have materially failed to comply with terms of Franchise Agreement after 30 days' notice
e. Termination by franchisor without cause	Not applicable	Not applicable
f. Termination by franchisor with cause	Sections 23	We can terminate if you breach the Franchise Agreement and do not cure within 10 days of notice.
g. "Cause" defined – curable defaults	Section 23.C.	Breaches of the franchise agreement other than those which provide for immediate termination.

THE FRANCHISE RELATIONSHIP		
Provision	**Franchise Agreement**	**Summary**
h. "Cause" defined - non-curable defaults	Section 23.B	1. Failure to pass initial training; 2. Abandonment; 3. Material misrepresentation; 4. Transfers without consent; 5. Discloses Proprietary Information; 6. Failure to cure a breach within thirty (30) days after written notice; 7. Felony conviction; 8. Insolvency; 9. False books, records, or reports; 10. Understatement of payments due Franchisor of four (4%) percent or more; or 11. Three or more breaches within a 12 month period.
i. Franchisee's obligations on termination/non-renewal	Section 24	Cease operating franchised business; stop using Names, Marks, and confidential information; cancel fictitious name listings; transfer telephone number; deliver Manual; make inventory and equipment available for purchase; pay monies owed; comply with covenants
j. Assignment of contract by franchisor	Section 22.B.	No restriction on our right to assign (subject to state law)
k. "Transfer" by franchisee - definition	Section 22.A.	Includes transfer of any interest in the Franchise Agreement, Business, assets, or you
l. Franchisor approval of transfer by you	Section 22.A.	We have the right to approve all transfers by you
m. Conditions for franchisor approval of transfer	Section 22.A.	Full compliance; transferee qualifies; all amounts due are paid in full; completion of training; transfer fee paid; transferee agrees to be bound by all terms of then-current Franchise Agreement; you execute and deliver other required documents including a release
n. Franchisor's right of first refusal to acquire franchisee's business	Section 22.D.	We have right to match any offer made to purchase your Business
o. Franchisor's option to purchase franchisee's business	Section 24.F.	After termination or expiration, we have right (not duty) to purchase for fair market value; or for value determined by appraisal, if parties are unable to agree

THE FRANCHISE RELATIONSHIP		
Provision	**Franchise Agreement**	**Summary**
p. Death or disability of franchisee	Section 22.C.	Franchise must be assigned to approved Buyer within 6 months
q. Non-competition covenants during the term of the franchise	Section 19.B.	You may not compete in the United States (subject to applicable state law)
r. Non-competition covenants after the franchise is terminated or expires	Section 19.B.	You may not offer competitive services for 2 years within your Territory or 25 miles of the boundaries of your Territory (subject to applicable state law)
s. Modification of the agreement	Sections 25.G and H	No modifications generally; but Operations Manual is subject to change
t. Integration/ merger clause	Section 25.H.	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 25.C.	Mediation in Broward County, Florida. Arbitration only if specified in state addenda.
v. Choice of forum	Section 25.C.	Litigation in Broward County, Florida (subject to applicable state law)
w. Choice of law	Section 25.C.	Florida laws apply (subject to applicable state law)

ITEM 18
PUBLIC FIGURES

We do not use any public figure 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 maybe 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 the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Mr. Vincent Garcia, 1020 E. Prospect Road, Oakland Park, FL 33334, 877-SWI-WASH, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2017 TO 2019

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
Franchised	2017	6	7	+1
	2018	7	10	+3
	2019	10	12	+2
Company-Owned	2017	0	0	0
	2018	0	0	0
	2019	0	0	0
Total Outlets	2017	6	7	+1
	2018	7	10	+3
	2019	10	12	+2

Table No. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES
TO NEW OWNERS (OTHER THAN THE FRANCHISOR)
FOR YEARS 2017 TO 2019

STATE	YEAR	NUMBER OF TRANSFERS
Florida	2017	1
	2018	0
	2019	1
Total	2017	1
	2018	0
	2019	1

Table No. 3

STATUS OF FRANCHISED OUTLETS FOR YEARS 2017 TO 2019

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS OTHER REASONS	OUTLETS AT END OF THE YEAR
Alabama	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Arizona	2017	1	0	1	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Florida	2017	2	1	1	0	0	0	2
	2018	2	1	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Illinois	2017	0	1	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Louisiana	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Maryland	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
New Jersey	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
North Carolina	2017	0	1	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	1	0	0	0	0	2
Tennessee	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	1	0
Texas	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Virginia	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
Totals	2017	6	3	2	0	0	0	7
	2018	7	3	0	0	0	0	10
	2019	10	3	0	0	0	1	12

Table No. 4

STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2017 TO 2019

STATE	YEAR	OUTLETS AT START OF THE YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE	OUTLETS AT END OF THE YEAR
Florida	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Totals	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0

Table No. 5

Projected Openings as of December 31, 2019

State	Franchise Agreement Signed But Outlet Not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Connecticut	0	1	0
Texas	0	1	0
TOTALS	0	2	0

Exhibit D contains a list of the names of all franchisees and the addresses and telephone numbers of their Businesses as of the end of our last fiscal year.

Exhibit E contains a list of the name and last-known home address and telephone number of every Franchisee who has had their franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of our application date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

There are no trademark-specific franchisee organizations associated with our franchise system that are known to us.

ITEM 21
FINANCIAL STATEMENTS

Exhibit F contains our audited financial statements as of our fiscal years ended December 31, 2019, 2018, and 2017, as well as our unaudited Balance Sheet as of May 31, 2020 and our unaudited Profit and Loss Statement for the time period January 1, 2020 – May 31, 2020.

ITEM 22
CONTRACTS

The following agreements are attached as Exhibits to this disclosure document:

Exhibit B	Franchise Agreement and Exhibits Schedule 1: Guaranty Schedule 2: State Addenda to Franchise Agreement
Exhibit H	General Release Form

ITEM 23
RECEIPTS

Exhibit J contains two copies of a Receipt of this disclosure document. Please complete both copies of the Receipt, keeping one copy for your files and returning one copy to us.

EXHIBIT A

List of Administrators and Agents for Service of Process

State	State Administrator	Agent for Service of Process
California	Department of Business Oversight 320 West 4th Street Los Angeles, CA 90013 1515 K Street, Suite 200, Sacramento, CA 95814 1-866-275-2677	Commissioner of Business Oversight Department of Business Oversight 320 West 4th Street Los Angeles, CA 90013
Connecticut	The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299	The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299
Hawaii	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706
Indiana	Secretary of State, Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204 (317) 232-6681	Secretary of State, Securities Division West Washington Street, Room E-111 Indianapolis, IN 46204
Kentucky	Kentucky Attorney General 700 Capitol Avenue Frankfort, Kentucky 40601-3449 (502) 696-5300	
Maryland	Office of the Attorney General Securities Division	Maryland Securities Commissioner

	200 St. Paul Place Baltimore, MD 21202 (410) 576-6360	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Department of Attorney General Consumer Protection Division – Franchise Unit 525 W. Ottawa Street G. Mennen Building Lansing, MI 48913 (517) 373-7117	Department of Attorney General 525 W. Ottawa Street G. Mennen Building Lansing, MI 48913
Minnesota	Minnesota Commissioner of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198
Nebraska	Nebraska Department of Banking and Finance 1200 N Street-Suite 311 Post Office Box 95006 Lincoln, Nebraska 68509 (402) 471-3445	
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Floor New York, NY 10005 212-416-8236 Phone	New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492 Phone
North Dakota	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capital, Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capital, Fifth Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Avenue, Bldg. 69-1 Cranston, RI 02920 (401) 462-9588	Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Avenue, Bldg. 69-1 Cranston, RI 02920 (401) 462-9588
South Dakota	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501

Texas	Secretary of State Statutory Document Section P.O. Box 12887 Austin, TX 78711 (512) 475-1769	
Utah	Department of Commerce Division of Consumer Protection 160 East 300 South Salt Lake City, Utah 84111-0804 (801) 530-6601	
Virginia	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Securities Administrator Washington State Department of Financial Institutions 150 Israel Rd., SW Tumwater, WA 98501 (360) 902-8760	Securities Administrator Washington State Department of Financial Institutions 150 Israel Rd., SW Tumwater, WA 98501
Wisconsin	Wisconsin Department of Financial Institutions 345 West Washington Avenue Madison, WI 53703 (608) 266-8557	Wisconsin Department of Financial Institutions 345 West Washington Avenue Madison, WI 53703

EXHIBIT B

Franchise Agreement and Schedules

EXHIBIT B

FRANCHISE AGREEMENT

Hood Guyz

Tri-Way Cleaning Services, Inc.

Send Completed Agreements To:

Corporate Headquarters
320 S. Flamingo Road, PMB 116
Pembroke Pines, FL 33027
1.877.794.9274 FAX 954.563-4340

TABLE OF CONTENTS

ITEM		PAGE
1.	FRANCHISEE'S ACKNOWLEDGMENT OF BUSINESS RISK AND ABSENCE OF GUARANTEE	2
2.	FRANCHISEE'S ACKNOWLEDGMENTS CONCERNING RECEIPT AND THOROUGH EVALUATION OF AGREEMENT	2
3.	ACTUAL, AVERAGE, PROJECTED OR FORECASTED FRANCHISE SALES, PROFITS OR EARNINGS	3
4.	INDEPENDENT CONTRACTOR	4
5.	FRANCHISE GRANT	4
6.	AUTHORIZED AREA OR TERRITORY	4
7.	TERM AND RENEWAL OF AGREEMENT	6
8.	FRANCHISEE'S INITIAL INVESTMENT	7
9.	FRANCHISEE'S INITIAL FRANCHISE FEE	7
10.	OTHER FEES	8
11.	FINANCING ARRANGEMENTS	11
12.	GENERAL OBLIGATIONS OF FRANCHISEE	11
13.	SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO INSURANCE	20
14.	SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO ACCOUNTING AND RECORDS	22
15.	SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO USES OF NAMES AND MARKS	23
16.	SPECIFIC OBLIGATIONS OF THE FRANCHISEE RELATING TO CONFIDENTIALITY OF PROPRIETARY INFORMATION	26
17.	SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO TAXES, PERMITS AND LAWSUITS	28
18.	SPECIFIC OBLIGATION OF FRANCHISEE RELATING TO INDEMNIFICATION	28
19.	MISCELLANEOUS COVENANTS OF FRANCHISEE	29
20.	OBLIGATIONS OF THE FRANCHISOR: SUPERVISION, ASSISTANCE AND SERVICES	30
21.	VARYING STANDARDS	33
22.	SALE OF FRANCHISE	33
23.	TERMINATION OF FRANCHISE	37
24.	FRANCHISEE'S OBLIGATIONS UPON TERMINATION OR EXPIRATION	39
25.	ENFORCEMENT	39
26.	APPROVALS AND WAIVERS	42
27.	AUTHORITY	43
28.	NOTICES	43

SCHEDULE 1 GUARANTY
SCHEDULE 2 STATE ADDENDA TO FRANCHISE AGREEMENT

Hood Guyz
FRANCHISE AGREEMENT

PARTIES

THIS AGREEMENT is made by and between Tri-Way Cleaning Services, Inc., a Florida Corporation, hereinafter known as “Hood Guyz” or "Franchisor" and the persons signing as Franchisee or Guarantors and referred to herein individually or collectively as "Franchisee," to evidence the agreement and understanding between the parties as follows:

RECITALS

WHEREAS, Franchisor has acquired or developed, operates and has the right to license a system or business program, including expertise for conducting and operating a business under the mark Hood Guyz; and

WHEREAS, Franchisor has the rights to use certain trade names, trademarks, logos, service marks and other property in connection with the operation of business and has acquired or developed expertise (including confidential information) and a unique, distinctive and comprehensive system (the "System") for the establishment and operation of a franchised business offering commercial kitchen exhaust system cleaning, inspection, maintenance and restoration known as “Hood Guyz,” for the promotion and identification of the mark, Hood Guyz, and stylized logo for the sale of products and services at Hood Guyz locations and other locations at the discretion of the licensee (the Hood Guyz business hereinafter referred to as a Franchise Location or "Business"); and

WHEREAS, Franchisor has acquired or developed a uniform system for the establishment and operation of Hood Guyz franchises which are characterized by distinctive and unique vehicles containing customized pressure-washing and other equipment, including a distinctive exterior and interior design, trade dress décor and color scheme; uniform standards, specifications, and procedures for operations; procedures for quality control; training and ongoing operational assistance; advertising and promotional programs; and other related benefits for use of Franchisee under the Names and Marks, all of which may be changed, improved, and further developed by Franchisor from time to time; and

WHEREAS, Franchisor identifies its System by means of certain trade names, service marks, trademarks, logos, emblems, trade dress and other indicia of origin, including but not limited to the mark “Hood Guyz” and such other trade names, service marks, trademarks and trade dress as are now designated (and may hereafter be designated by Franchisor in writing) for use in connection with its System (the "Names and Marks"); and

WHEREAS, Franchisor continues to develop, use, and control the use of such Names and Marks to identify for the public the source of services and products marketed there

under and under its System, and to represent the System's high standards of consistent quality, appearance, and service; and

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

WHEREAS, Franchisee desires to obtain a franchise from Franchisor for the right to use the "Names and Marks" and the expertise for operating a Hood Guyz Business and to obtain the benefits and knowledge of Franchisor's System including, but without limitation, business design, operating methods, product preparation, advertising, sales techniques and materials, signs, personnel management, control systems, bookkeeping and accounting methods, and in general a style, method and procedure of business operation utilizing the Names and Marks as a Franchisee of Franchisor; and

WHEREAS, Franchisee recognizes the benefits to be derived from being identified with and licensed by Franchisor and Franchisee understands and acknowledges the importance of Franchisor's high standards of quality, cleanliness, appearance, and service and the necessity of operating the Business in conformity with Franchisor's standards and specifications;

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. FRANCHISEE'S ACKNOWLEDGMENT OF BUSINESS RISK AND ABSENCE OF GUARANTEE

Franchisee (and each partner or shareholder if Franchisee is a partnership or corporation) hereby represents that he or she has conducted an independent investigation of the Franchisor's business and System and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will depend upon Franchisee's abilities as an independent businessperson. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business contemplated by this Agreement.

2. FRANCHISEE'S ACKNOWLEDGMENTS CONCERNING RECEIPT AND THOROUGH EVALUATION OF AGREEMENT

Franchisee acknowledges having received, read, and understood this Agreement, including the Franchise Disclosure Document and attachments thereto. Franchisee further acknowledges that Franchisor has accorded Franchisee ample time and opportunity to consult with independent legal counsel and other advisors of its own choosing concerning the potential benefits and risks of entering into this Agreement. Franchisee acknowledges that it has received a completed copy of this Agreement,

attachments referred to herein, and agreements relating hereto, if any, at least seven (7) business days prior to the date on which this Agreement was executed. Franchisee further acknowledges that it has received the disclosure document required by the Trade Regulation Rule of the Federal Trade Commission, entitled "Franchise Disclosure Document," at least fourteen (14) days prior to the date on which this Agreement was executed.

Franchisee acknowledges that it has read and understands this Agreement, the Attachments hereto, and any agreements relating thereto, and that Franchisee has been advised by a representative of Franchisor to consult with an attorney or advisor of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement prior to its execution.

Franchisee acknowledges that any statements, oral or written, by Franchisor or its agents preceding the execution of this Agreement were for informational purposes only and do not constitute any representation or warranty by Franchisor. The only representations, warranties and obligations of Franchisor are those specifically set forth in the Franchise Disclosure Document and this Agreement. Franchisee must not rely on, and the parties do not intend to be bound by, any statement or representation not contained therein.

Franchisee acknowledges that Franchisor will not provide or designate locations for Franchisee, will not provide financial assistance to Franchisee, and has made no representation that it will buy back from Franchisee any products, supplies or equipment purchased by Franchisee in connection with the Business.

3. ACTUAL, AVERAGE, PROJECTED OR FORECASTED FRANCHISE SALES, PROFITS OR EARNINGS

Earnings claims located in the Franchise Disclosure Document, if any, are the only statement of sales, profits or earnings that the Franchisee should rely upon.

Franchisee, and each party executing this document hereto, acknowledges that Franchisor, itself or through any officer, director, employee or agent, has not made, and Franchisee has not received or relied upon, any oral or written, visual, express or implied information, representations, assurances, warranties, guarantees, inducements, promises or agreements concerning the actual, average, projected or forecasted franchise sales, revenues, profits, earnings or likelihood of success that Franchisee might expect to achieve from operating the Business, except as set forth in the Franchise Disclosure Document reviewed by Franchisee or its representatives.

4. INDEPENDENT CONTRACTOR

A. Franchisee is an Independent Contractor

During the term of this Agreement, and any renewals or extensions hereof, Franchisee shall hold itself out to the public as an Independent Contractor operating its business pursuant to a franchise from the Franchisor. Franchisee agrees to take such affirmative action as may be necessary including, without limitation, exhibiting multiple public notices of that fact, the content and display of which Franchisor shall have the right to specify. For example, such notices shall be provided on letterhead, business cards, bank account names, bank checks, and signs at the place of business.

B. Franchisor Is Not In A Fiduciary Relationship With Franchisee

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

It is understood and agreed that nothing in this Agreement authorizes Franchisee, and Franchisee shall have no authority, to make any contract, agreement, warranty, or representation on behalf of Franchisor, or to incur any debt or other obligation in Franchisor's name; and that Franchisor shall in no event assume liability for, or be deemed liable hereunder or thereunder as a result of any such action; nor shall Franchisor be liable by reason of any act or omission of Franchisee in its conduct of the Business or for any claim or judgment arising therefrom against Franchisee or Franchisor.

5. FRANCHISE GRANT

Franchisor hereby grants to Franchisee, upon the terms and conditions herein contained and subject to the License Agreement, the right, license, and privilege, and Franchisee hereby accepts a franchise under the terms and conditions set forth herein for the right to operate a Business within the geographical area set forth in Section 6. (the "Authorized Territory"), with the right to use solely in connection therewith the Franchisor's Names and Marks, its advertising and merchandising methods, and Franchisor's System, as they may be changed, improved and further developed from time to time only within the Authorized Territory as set forth in Section 6. and provided the Franchisee shall adhere to the terms and conditions hereof.

6. AUTHORIZED AREA OR TERRITORY

The Franchisee's Authorized Territory shall be within the State of _____ in the county(s) of _____

The exact Authorized Territory is:

_____

If Authorized Territory is not selected by the parties prior to the signing of this Agreement, then it shall be selected and entered at a later date, under the terms of this Agreement.

You must operate your Business within the geographical area described in the Franchise Agreement (the "Authorized Territory"). You may operate from your home or any location in your Authorized Territory, which such location is not subject to our approval.

You may relocate the franchised business within your Authorized Territory at any time without our permission.

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

After your first full year of operation, you must maintain the following Minimum Gross Monthly Sales Requirement:

Months in Operation	**Minimum Gross Monthly Sales**
Greater than 0 bet less than 12	No Minimum
Greater than 12 but less than 24	$8,666
Greater than 24 but less than 36	$13,000
Greater than 36 but less than 48	$17,333
Greater than 48	$21,666

If you do not achieve the required Minimum Gross Sales for any period of two or more consecutive months after 12 months in operation or any three out of six month period, we may collect a Royalty equal to what you would have been assessed had you achieved the Minimum Gross Sales for those months. In addition, if you fail to achieve Minimum Gross Sales as specified in this Agreement, we may also elect to establish another franchisee or company store in the Territory or allow another franchisee to advertise and service Customers in your territory. If you have more than one franchise agreement, your royalty rates for each franchise agreement may be averaged and aggregated together to form one royalty rate and threshold scale (if applicable) for all of your franchise agreements.

We or an affiliate reserves the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using our principal trademarks but only in these four ways: (1) to direct customers to your outlet; (2) to advertise, market and sell Hood Guyz branded and trademarked products such items as chemicals, t-shirts, and other items; (3) if you do not meet Minimum Gross Monthly Sales as described above, (4) if you decline to service a National Account in your Authorized Territory, as described below.

We and any affiliate have not established, and do not presently intend to establish, other franchises or company-owned businesses selling or leasing similar products or services under a trade name or trademark different from “Hood Guyz” Marks. However, we reserve the right to do so.

We do not have to pay you any compensation for soliciting or accepting orders from inside your Authorized Territory.

National Accounts. We may have national accounts and some of these national accounts may require services in your Authorized Territory. If so, you will have the right to provide services for the national account in your Authorized Territory, so long as you are not in default under your franchise agreement. There is no charge for you to participate in national account services, and your participation is not mandatory. If you elect to participate, you must comply with the terms (including pricing and service requirements) of our national account agreement. If you elect not to participate in a national account involving services to be provided in your Authorized Territory, we may, upon 10 days written notice to you, allow a franchisee or affiliate to service that national account in your Authorized Territory without any liability to you whatsoever.

You may not solicit or accept orders from customers outside of your Authorized Territory (including by use of the internet, mail order catalog, telemarketing, etc.).

However, with prior consent from another franchisee, you may perform work in their Authorized Territory if you pay them a 10% royalty on Gross Sales made in their Authorized Territory.

7. TERM AND RENEWAL OF AGREEMENT

A. Term

The Franchise herein granted shall be for a term of ten (10) years (the “Initial Term”) from the date of execution and acceptance (the "Effective Date") of this Franchise Agreement (the "Agreement") by Franchisor and subject to earlier termination as herein provided.

B. Renewal

Franchisee may, at its option, renew this Franchise for one (1) additional period of ten (10) years (the “Renewal Term”), if Franchisor is still offering franchises at that time, and further subject to the following conditions, all of which must be met prior to renewal:

1. Franchisee shall give the Franchisor written notice of its election to renew not less than six (6) months prior to the end of the Initial Term;

2. Franchisee must not be in default under any provision of the Agreement, any amendment hereof or successor hereto, or any other agreement

between Franchisor and Franchisee, and Franchisee shall have complied with all the terms and conditions of all such agreements during the Terms thereof;

3. Franchisee shall complete to Franchisor's satisfaction such maintenance and renovation of the Business, including vehicles and equipment, as Franchisor may reasonably require in writing;

4. Franchisee shall have satisfied all monetary obligations owed by Franchisee to Franchisor and its affiliate, and shall have timely met these obligations throughout the Initial Term;

5. Franchisee shall execute, before the Renewal Term, the Franchisor's then-current form of Franchise Agreement, which Agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement. Franchisor shall charge Franchisee a renewal fee of four thousand five-hundred dollars ($4,500);

6. Franchisee shall comply with Franchisor's then-current qualification and training requirements; and

7. Franchisee must execute a General Release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its affiliates, and their respective officers, directions, agents and employees, if such Release is not in conflict with any local, state or federal laws.

8. FRANCHISEE'S INITIAL INVESTMENT

Franchisee hereby certifies that he or she has reviewed the estimated start-up costs as detailed in Item 7 of the Franchise Disclosure Document and has sufficient cash resources available to meet said expenses.

9. FRANCHISEE'S INITIAL FRANCHISE FEE

A. Time Limit for Starting Business

Franchisee shall comply with the provisions and requirements of Section 12.G hereof and shall open the Franchise for business within two (2) months after the date of execution of this Franchise Agreement (the "Opening Date"). Franchisor may grant Franchisee one 30-day extension past the two months allotted within which to open the Business.

Should the Franchisee be unable to obtain all necessary permits and licenses during the stated period and extension time period as a result of causes beyond the reasonable control of Franchisee (unless the requirement for the issuance of such permits and licenses is waived in writing by Franchisor), this Agreement shall be deemed terminated upon written notice from either Franchisee or Franchisor to the other, without the necessity of further action by either party or further documentation. Upon such

termination, the Franchisor shall retain the entire Franchise Fee as a Termination Fee, and no part of the Franchise Fee will be refunded to the Franchisee.

B. Cooperation Required

Franchisee shall cooperate reasonably with Franchisor to ensure that the various actions occur which are necessary to obtain acceptance by Franchisor of the Business location and operation. In particular, Franchisee shall furnish any pertinent information as may be reasonably requested by Franchisor regarding Franchisee's business and finances.

C. Initial Franchise Fee

By executing this Agreement, Franchisee agrees to become a Franchisee and pay an initial franchise fee in the amount of $18,500 for a single Hood Guyz Franchise (the "Initial Franchise Fee") which amount is due upon execution of this Agreement and receipt of which is hereby acknowledged by Franchisor. The Initial Franchise Fee shall be paid in a lump sum in U.S. funds and shall be deemed fully earned and nonrefundable in consideration of administrative and other expenses incurred by Franchisor in granting this franchise and for Franchisor's lost or deferred opportunity to franchise others, except as described above in Section 9.A. or below in Section 9.D. If you request a larger Authorized Territory, we may grant a larger Authorized Territory to you, at our discretion, upon the payment of an extra fee of $4,500, for an approximate additional 225 Retail Food Service Customers, for a total initial franchise fee of $23,000.

D. Time Limit for Approving Franchisee

Franchisor, within thirty (30) days after payment of the Initial Franchise Fee provided in Section 9.C. above, will approve or disapprove the Franchisee's application for a franchise. If Franchisee is disapproved, the Fee paid in Section 9.C. above will be refunded in full.

E. Equipment Package

Franchisee will also pay Franchisor for the Equipment Package, which amount is due upon execution of this Agreement and receipt of which is hereby acknowledged by Franchisor. The Equipment Package fee is $9,500. The Equipment Package fee is deemed fully earned and nonrefundable upon payment, except that if we terminate your franchise agreement as provided above before we have delivered the equipment to you, we will refund the Equipment Package fee, without interest.

10. OTHER FEES

A. Base Royalty Fees

In addition to the Initial Franchise Fee described in Item IX above, the following recurring or isolated payments are required to be made by the Franchisee. The Franchisee shall

pay to Franchisor a Base Royalty Fee of ten (10%) percent on total Gross Sales of the Franchised Business.

As used in this Agreement, "Gross Sales" shall include all revenue accrued from the sale of all products and performance of services in, at, upon, about, through or from the Business, whether for cash or credit and regardless of collection in the case of credit, and income of every kind and nature related to the Business including insurance proceeds and/or condemnation awards for loss of sales, profits or business; provided, however, that "Gross Sales" shall not include revenues from any sales taxes or other add-on taxes collected from customers by Franchisee for transmittal to the appropriate taxing authority, (the retail value of any complimentary services or trade-outs or credit card discounts from Gross Sales up to a maximum of two (2%) percent of Gross Sales in the aggregate), and the amount of cash refunds to customers, provided such amounts have been included in Gross Sales.

The Royalty Fee is uniform as to all persons currently acquiring a Franchise, is nonrefundable, and is not collected on behalf of or paid to any third party. The Royalty Fee shall be payable by the Franchisee and actually received by the Franchisor within five (5) days from the end of each calendar week.

Any payment or report not actually received by Franchisor on or before the specified date shall be deemed overdue. If any payment is overdue, in addition to the right to exercise all rights and remedies available to Franchisor under this Agreement, Franchisee shall pay Franchisor, in addition to the overdue amount, interest on such amount from the date it was due until paid at the lesser of either (1) the rate of eighteen (18%) percent per annum or (2) the maximum rate allowed by the laws of the State in which Franchisee's business is located or any successor or substitute law (hereinafter the "Default Rate"), until paid in full.

B. National Advertising Fees

We have the right to implement a fund for national advertising, and, if we do, Franchisee shall pay to Franchisor as a contribution to a National Advertising Fund the amount we specify up to a maximum of three (3%) percent of total Gross Sales of the Franchised Business. If implemented, we will institute, maintain and administer a central advertising fund (the Fund) for such advertising or public relations programs as we, in our sole discretion, deem appropriate to promote the Hood Guyz® concept. We will direct any such programs, and will have sole discretion over the creative concepts, materials, and endorsements and media used in such programs, and the placement or allocation of such programs. We will determine in our sole discretion the composition of all geographic territories and market areas for the implementation and development of such programs. If implemented, the National Advertising Fee shall be payable by the Franchisee and actually received by the Franchisor within five (5) days from the end of each calendar week.

C. Initial Direct Mail and Local Marketing

Initial Direct Mail Local Marketing Expense. You agree to reimburse us our cost of direct mail to promote your business prior to and during your first three months of operation in the approximate amount of $.703 per restaurant in your Authorized Territory.

Local Marketing. Otherwise, Franchisee shall not be required at this time to contribute to, or to partake in, any local advertising or local marketing plan. At this time any local advertising and/or marketing is up to the Franchisee and at Franchisee's sole cost and expense, and is subject to Franchisor's prior written approval. We have the right to require you in the future to spend certain amounts or percentages of your Gross Sales on approved local marketing, up to the greater of $2,600 or 1% of your Gross Sales each month.

D. Cash Flow Program

Under the Cash Flow Program, Franchisor will advance to Franchisee its accounts receivable within 30 days after submission of services performed. Franchisor will pay to Franchisee the net amount of Franchisee's receivables after any charge-backs, discounts or credits, and after deducting the applicable Royalty Fee and any other fees or amounts owed to Franchisor by Franchisee. Franchisor will then collect and retain Franchisee's receivables. However, if Franchisor is unable to collect the full amount of any of Franchisee's receivables after 90 days, Franchisor will charge back to Franchisee (and Franchisee agrees to pay to Franchisor) the amount of any such uncollectable receivables. Additionally, Franchisee shall, upon demand, reimburse Franchisor for any reasonable service charges incurred by Franchisor in connection with Franchisee's accounts receivable, including credit card fees and bank fees.

E. Voluntary Sales Support Program

Franchisor has implemented an optional sales support program for its franchisees who desire to participate. If Franchisee chooses to participate, Franchisor will provide an ongoing sales effort for Franchisee in Franchisee's Authorized Territory performed by Franchisor's in-house sales staff. This sales effort will primarily consist of: (1) 8 hours per week of telephone sales calls (telemarketing) to prospective customers for the franchisees; (2) setting up sales appointments with prospective customers for Franchisee; and (3) setting up estimates for prospective customers for Franchisees. There is no charge at this time, but we reserve the right to charge Franchisee' who chooses to participate, and Franchisee will pay Franchisor a weekly fee ($90) within five (5) days from the end of each calendar week. Franchisor may adjust the amount of weekly fee annually.

F. Hood Guyz Software-Technology and Licensing Fee

Franchisee must pay the then-current monthly Technology and Licensing Fee for access to Hood Guyz Software in the amount and manner as described in the Operations Manual, presently $50 per month.

G. Additional Training Fees

If Franchisor offers or requires Franchisee or its personnel to attend additional training, seminars, or refresher training, Franchisor may impose a reasonable fee for such attendance.

H. Convention Fee

Franchisor reserves the right to impose a Convention Fee for attendance at any Convention that Franchisor may offer.

I. Advertising Material Fees

Franchisor may require Franchisee to reimburse Franchisor for advertising materials that Franchisor produces for Franchisee.

J. Internet Marketing Fee

Franchisee agrees to pay to Franchisor an Internet Marketing Fee monthly of 1% of Gross Sales in the prior month.

K. Technology Fee

Franchisee agrees to pay to Franchisor a $70 per month Technology Fee.

L. Alternative Supplier Fees

If Franchisee requests that Franchisor consider allowing the purchase of equipment or supplies from an alternative source, Franchisee agrees to reimburse Franchisor's actual costs in considering and evaluating the alternative supplier.

11. FINANCING ARRANGEMENTS

Franchisee hereby acknowledges that financing is the responsibility of the Franchisee. The Franchisor does not finance or guarantee the obligations of the Franchisee.

12. GENERAL OBLIGATIONS OF FRANCHISEE

A. Follow Operations Manual and Directives of Franchisor

Franchisee agrees that use of Franchisor's System and adherence to the Operations Manual (the "Manual"), and to Franchisor's standardized design and specifications for decor of the Business and uniformity of equipment, layouts, signs, and other incidents of the Business, are essential to the image and goodwill thereof. Franchisee shall cooperate and assist Franchisor with any customer or marketing research program which Franchisor

may institute from time to time. Franchisee's cooperation and assistance shall include, but not be limited to, the distribution, display and collection of customer comment cards, questionnaires, and similar items. In order to further protect the System and the goodwill associated therewith, Franchisee shall:

1. Operate the Business and use the Operations Manual solely in the manner prescribed by Franchisor;

2. Comply with such requirements respecting any service mark, trade name, trademark, or copyright protection and fictitious name registrations as Franchisor may, from time to time, direct;

3. Follow the methods of customer service so as to conform to the specifications and standards of Franchisor in effect from time to time;

4. Use only such supplies, equipment, and products so as to conform to Franchisor's specifications in effect from time to time;

5. Sell from the Business all products and services specified by Franchisor and not sell or offer for sale any other products or services of any kind or character without first obtaining the express approval of Franchisor, which shall be at the full discretion of the Franchisor who shall have the sole right of decision in regards to all products and services to be sold in the Franchise Business. Franchisor shall have the right to not approve any product or service for any reason whatsoever or for no reason whatsoever.

6. Discontinue selling or offering for sale or using any products or services Franchisor may, in its absolute discretion, delete from its standards and specifications for any reason whatsoever or for no reason whatsoever.

7. Maintain in sufficient supply, and use at all times, only such products, materials, supplies, standards of cleanliness, health and sanitation and methods of service as conform to Franchisor’s standards and specifications; and to refrain from deviating therefrom by using non-conforming items or methods without Franchisor’s prior written consent.

8. Purchase such equipment, supplies, or products as may be required by Franchisor, for the appropriate handling and selling of any services and products that become approved for offering in the System.

9. Require clean uniforms conforming to such specifications as to color, design, etc. as Franchisor may designate, from time to time, to be worn by all of Franchisee's employees at all times while in attendance at the Business, and to cause all employees to present a clean, neat appearance and render competent and courteous service to customers, as may be further detailed in the Manual.

10. Permit Franchisor or its agents, at any reasonable time, to remove from the Business samples of items without payment therefore, in amounts reasonably necessary for testing by Franchisor or an independent laboratory to determine whether said samples meet Franchisor's then-current standards and specifications. In addition to any other remedies it may have under this Agreement, Franchisor requires Franchisee to bear the cost of such testing if the supplier of the item has not previously been approved by Franchisor, or if the sample fails to conform to Franchisor's specifications.

11. Not to install or permit to be installed on or about the Business premises or vehicles, without Franchisor's prior written consent, any fixtures, furnishings, signs, equipment, or other improvements not previously approved as meeting Franchisor's standards and specifications.

12. Employ a sufficient number of employees and maintain sufficient inventories as necessary to operate the Business at its maximum capacity as prescribed or approved by Franchisor and to comply with all applicable laws with respect to such employees.

13. Not engage in any trade practice or other activity or sell any product, service or literature which Franchisor determines to be harmful to the goodwill or to reflect unfavorably on the reputation of Franchisee or Franchisor, the Business, or the products or services sold thereat; or which constitutes deceptive or unfair competition, or otherwise is in violation of any applicable laws.

14. Utilize our then current Hood Guyz Franchise Management Software System ("Hood Guyz Software") in the operation of the Franchise Business. And you must use Quickbooks online and sync it into our software.

B. Operate Franchised Business Only

Franchisee shall use the System and the Names and Marks provided to Franchisee by Franchisor for the operation of the Business and shall not use them in connection with any other line of business or any other activity. Neither Franchisee, nor any of its owners, managers or employees, may conduct any business at the Business other than that authorized pursuant to this Agreement, without the prior written approval of Franchisor. Neither Franchisee, nor any of its owners, managers or employees, may conduct any activity at the Business or in connection therewith which is illegal or which could result in damage to the Names and/or Marks or the reputation and goodwill of Franchisor.

C. Comply With Laws

Franchisee shall comply with all federal, state and local laws and regulations, and shall obtain and at all times maintain any and all permits, certificates, or licenses necessary for full and proper operation of the Business franchised under this Agreement. Franchisor's standards may exceed any and all of the requirements of said laws.

D. Maintain Confidentiality of Proprietary Information

Neither Franchisee nor any of its members, officers, officers, directors, partners, agents, or employees shall, except as required in the performance of the duties contemplated by this Agreement, disclose or use at any time, whether during the term of this Agreement or thereafter, any information disclosed to or known by Franchisee or any such person as a result of this Agreement. Such information includes, but shall not be limited to, information conceived, originated, discovered, or developed by Franchisee or by any employee of Franchisee which is not generally known in the trade or industry about Franchisor's products, services, or licenses, including information relating to discoveries, ideas, manufacturing, purchasing, accounting, engineering, marketing, merchandising or selling.

E. Maintain and Renovate Business

Franchisee shall at all times maintain the Business and all vehicles used in connection therewith, in a clean, orderly condition and in first class repair and condition in accordance with all maintenance and operating standards set forth in the Manual. Franchisee shall make, at Franchisee's expense, all additions, repairs, replacements improvements and alterations that may be determined by Franchisor to be necessary so that the facilities and vehicles which are viewed by the public will conform to the System's image, as may be prescribed by Franchisor from time to time. Franchisee shall undertake and complete such additions, repairs, replacements, improvements and alterations within the time and under the terms and conditions which may be reasonably specified by Franchisor.

At Franchisor’s request, which shall not be more often than once every three (3) years, Franchisee shall refurbish the Business and all vehicles at its expense, to conform to the technology, design, trade dress, color schemes, and presentation of trademarks and service marks consistent with Franchisor’s designated image including, without limitation, modifications to existing vehicles and other improvements.

F. Maintain Competent Staff

Franchisor will create and make available to Franchisee training programs and other selected training materials as Franchisor deems appropriate. Franchisee shall maintain a fully-trained competent staff capable of rendering courteous quality service in a manner in keeping with the standards set by Franchisor.

G. Open Business Within Time Limit

Within sixty-one (61) days after execution of this Agreement, Franchisee shall have obtained Franchisor's approval to open and shall have opened the Business and commenced operations. Time is of the essence. Prior to opening, Franchisee shall complete to Franchisor's satisfaction all preparations of the Business, in accordance with specifications set forth in the Manual, and as required by local governmental agencies,

including the installation of fixtures, furnishings, and equipment and the acquisition of supplies and inventory.

H. Operate Business in Strict Conformity to Requirements

Franchisee shall operate the Business in strict conformity with such standards, techniques, and procedures as Franchisor may from time to time prescribe in the Manual, or otherwise in writing, and shall not deviate therefrom without Franchisor's prior written consent. Franchisee further agrees to: offer its customers all products and services which Franchisor may, from time to time, prescribe; offer its customers only those products and services which meet Franchisor's standards of quality and which Franchisor has approved in writing to be offered in connection with the Business's operations; and to discontinue offering any products or services which Franchisor may, in its sole discretion, disapprove in writing at any time.

I. Use Approved Supplies and Products

1. Franchisee shall sell, serve, or otherwise dispense only "Hood Guyz" items and related products which may, from time to time, be specified in writing, designated and approved for sale by Franchisor. The Proprietary Products listed in the Operations Manual are developed by Franchisor. The Retail Goods, which includes Hood Guyz cleaning chemicals and other items. The "Proprietary Products" and "Retail Goods" developed by Franchisor are the only products and retail goods approved for use by Franchisee. The "Proprietary Products" and "Retail Goods" must be purchased by the Franchisee directly from Franchisor, unless Franchisor makes other arrangements which shall be given to Franchisee in writing such as an approved supplier that may purchase the products from Franchisor and resell them to Franchisee.

2. To insure the consistent high quality and uniformity of products utilized by the Hood Guyz Business, Franchisee shall purchase all equipment, inventory, and other supplies, products, and materials used in the operation of the Hood Guyz Business as Franchisor may specify from time to time, solely from suppliers who demonstrate to Franchisor's continuing satisfaction an ability to meet Franchisor's standards and specifications. We do not have any formal criteria for approving suppliers and hence these criteria are not available to you. The primary factors we consider in evaluating alternative suppliers are financial strength, quality control, and capacity to supply Franchisee needs promptly and reliably. You may contract with alternative suppliers who meet our standards only upon express written consent. You must pay to us any actual cost we incur to evaluate a new supplier. If you desire for us to evaluate an alternative supplier, we require you to send us a written request. We may require a sample, inspection of the facilities of the proposed supplier, or testing of items produced by that supplier. We will notify you within 90 days if we approve or disapprove of the alternate supplier. We revoke approvals by written notice to franchisees.

3. Franchisor reserves the right to require Franchisee to purchase designated proprietary items and products, and products bearing the Names

and Marks, as specified in the Manual from time to time, from Franchisor or its related or affiliated entities or from sources designated or approved by Franchisor.

J. Use Approved Equipment

In operating the Business, Franchisee shall install and use vehicles, equipment, signs, furnishings, supplies and fixtures only in accordance with the standards and specifications recommended by Franchisor.

K. Full-Time Manager Required

Franchisee agrees to maintain a competent, conscientious, trained staff, including at least one (1) fully-trained, full-time Manager (approved by and trained by Franchisor) and to take such steps as are necessary to ensure that its employees preserve good customer relations. If Franchisee is an individual, then Franchisee must be the Manager subject to Franchisor's approval and satisfactory completion of the initial training program. If Franchisee is an entity, then a majority owner or management-level employee must be the Manager, subject to Franchisor's approval and satisfactory completion of the initial training program. Franchisee's Manager must devote his or her direct, day-to-day, full-time attention and best efforts to the Business, and may not own, operate, manage, work at or engage in any other business during the term of this Agreement.

L. Use Approved Signs

Franchisee shall purchase or lease, subject to local building, vehicle and other codes and regulations, such signs and vehicle wraps as required by Franchisor. Upon renewal of this Agreement, Franchisee shall be responsible for obtaining and equipping the Business with the signage that is approved for use by Franchisor at the time of the renewal of this Agreement. The color, size, design and location of said signs and vehicle wraps shall be as specified and/or approved by Franchisor. Franchisee shall not place additional signs, posters or other décor items in, on or about the Authorized Territory (including its vehicles) without the prior written consent of Franchisor.

M. Use Approved Uniforms

Franchisee shall require its employees to wear uniforms while working at the Business and such uniforms shall be of such design and color as Franchisor may prescribe from time to time, as set forth in the Manual.

N. Maintain Regular Business Hours

Franchisee shall keep the Business open and in normal operation during normal business hours for its geographical region, for six to seven (6-7) days per week, fifty-two (52) weeks per year, with minimum hours of operation being random, with a minimum of forty hours per week. Holidays off are Memorial Day, Thanksgiving Day, Christmas Day, and New Year's Day unless otherwise authorized in writing by Franchisor (subject to local

ordinances or lease restrictions, if any). Such minimum hours and days of operation may be changed as Franchisor may from time to time specify in the Manual.

O. Maintain Uniform Operating Standards

Franchisee understands and acknowledges that every detail of the design and operation of the Business is important to Franchisee, Franchisor and other franchisees in order to develop and maintain uniform operating standards, to increase the demand for the products and services sold by the Business under the System, and to protect Franchisor's reputation and goodwill.

P. Telephone Number of Business

Franchisee understands and agrees that the telephone numbers for the Business constitute a part of the System and are subject to the restrictions of this Agreement. Accordingly, Franchisee shall not change the telephone numbers for the Business without prior notice and written approval by Franchisor. Franchisee shall advertise and publicize the telephone numbers for the Business in the manner prescribed by Franchisor.

Q. Disclose Discoveries and Ideas to Franchisor

Franchisee shall promptly disclose to Franchisor all discoveries, inventions or ideas, whether patentable or not, relating to Franchisor's business, which are conceived or made by Franchisee or any officer, director, member, partner, agent, or employee of Franchisee solely or jointly with others, during the term of this Agreement, whether or not Franchisor's facilities, materials, or personnel are utilized in the conception or making of such discoveries or ideas. Franchisee hereby acknowledges and agrees that all such discoveries, inventions or ideas are the exclusive property of Franchisor, and that Franchisor shall have no obligation to Franchisee with respect thereto. The purpose of this clause is to ensure that ideas for improvements to the System that may be generated by franchisees within the System will be distributed to the other franchisees as a benefit of belonging to the System.

R. Permit Franchisor to Enter Business

Franchisee shall permit Franchisor and its agents or representatives to enter the Business at any reasonable time for the purpose of conducting inspections, shall cooperate fully with Franchisor's representatives in such inspections by rendering such assistance as they may reasonably request and, upon notice from Franchisor or its agents, and without limiting Franchisor's other rights under this Agreement, shall take such steps as may be deemed necessary to immediately correct any deficiencies detected during such inspections. In the event Franchisee fails or refuses to correct immediately any deficiency detected during such inspection, Franchisor shall have the right to make or cause to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee agrees to pay upon demand. The foregoing shall be in addition to any other remedies Franchisor may have pursuant to this Agreement.

S. Additional Requirements for Entity. Franchisee

If Franchisee is or becomes an entity, the following requirements shall apply:

1. Franchisee shall confine its activities to the establishment and operation of the Business.

2. Franchisee's Certificate or Articles of Incorporation and Bylaws (or comparable governing documents) shall at all times provide that its activities are confined exclusively to operation of the Business and that the issuance, redemption, purchase for cancellation and transfer of voting stock, or other ownership interest therein, is restricted by the terms of this Agreement. Franchisee shall furnish Franchisor promptly upon request copies of Franchisee's Articles of Incorporation, Bylaws, and other governing documents, and any other documents Franchisor may reasonably request, and any amendments thereto, from time to time.

3. Franchisee shall maintain a current list of all owners of record and beneficial owners of any class of voting stock of Franchisee and shall furnish such list to Franchisor upon request.

4. Franchisee shall maintain stop transfer instructions against the transfer on its record of any equity securities (voting or otherwise) except in accordance with the provisions of Article XV. All securities issued by Franchisee shall bear the following legend, which shall be printed legibly and conspicuously on each stock certificate or other evidence of ownership interest:

> THE TRANSFER OF THESE SECURITIES IS SUBJECT TO THE TERMS AND CONDITIONS OF A FRANCHISE AGREEMENT WITH TRI-WAY CLEANING SERVICES, INC. DATED _____. REFERENCE IS MADE TO SAID AGREEMENT AND TO THE RESTRICTIVE PROVISIONS OF THE ARTICLES AND BYLAWS OF THIS CORPORATION.

5. All owners of Franchisee shall jointly and severally guaranty Franchisee's performance hereunder and shall bind themselves to the terms of this Agreement provided, however, that the requirements of this Section 12.T. shall not apply to any corporation registered under the Securities Exchange Act of 1934 (hereinafter known as a "Publicly-Held Corporation").

6. If Franchisee is or becomes a partnership, Franchisee shall furnish Franchisor promptly upon request a copy of its partnership agreement and any other documents Franchisor may reasonably request, and any amendments thereto, from time to time.

7. Franchisee shall maintain a current list of all general and limited partners and all owners of record and all beneficial owners of any class of voting

stock of Franchisee and shall furnish the list to Franchisor promptly upon request, from time to time.

8. Each individual who or entity which holds a ten (10%) percent or greater ownership or beneficial ownership interest in Franchisee, directly or indirectly, (including each individual holding a fifty (50%) percent or greater interest in any entity which has a ten (10%) percent or greater interest in Franchisee) shall enter into a continuing Guaranty Agreement under seal, in the form attached hereto as Schedule 1, as such form may be amended or modified by Franchisor, from time to time (if such Guaranty Agreement is to be executed subsequent to the date hereof in accordance with the terms of this Franchise Agreement).

T. Site (Location) Selection

You select the actual site of your business headquarters within the Authorized Territory provided in the Franchise Agreement. You may work from home or any location in your Territory. We do not provide any assistance in site selection, and we do not need to approve the location of your headquarters.

U. Training

Prior to Franchisee's opening of the Business to the public, Franchisee (or, if Franchisee is an entity, a principal of Franchisee) and up to two (2) management personnel of Franchisee shall attend and complete to Franchisor's satisfaction the management training program offered by Franchisor. At Franchisor's option, key personnel subsequently employed by Franchisee shall also complete to Franchisor's satisfaction, the management training program. Franchisor may, at its discretion, make available additional training programs, seminars, as well as refresher courses to Franchisee and/or Franchisee's designated individual(s) from time to time. Franchisor may, at any time, discontinue management training and decline to certify Franchisee and/or Franchisee's designated individual(s) who fail to demonstrate an understanding of the management training acceptable to Franchisor. If Franchisee or Franchisee's designated individual's management training is discontinued by Franchisor, Franchisee shall have thirty (30) days to present an alternative acceptable candidate for management training to Franchisor. If Franchisee's new candidate does not adequately complete the management training, then Franchisor has the option of terminating this Agreement. Franchisor shall provide instructors and training materials for all required training programs; and Franchisee or its employees shall be responsible for all other expenses incurred by Franchisee or its employees in connection with any training programs, including, without limitation, the cost of transportation, lodging, meals, and wages.

Franchisor offers training resources, as described below, to assist franchisees at their business location for hourly employees. All Hood Guyz trainers shall be deemed employees of the Franchisee during the period(s) of service to the Franchisee, as herein provided. Franchisee shall give Franchisor not less than thirty (30) days' notice of when training should begin.

Pre-Opening Training

Prior to the opening of Franchised unit Franchisor shall furnish training, at its designated training center, upon not less than fourteen (14) days prior written notice received by Franchisor from Franchisee, in the setup and operation of the Franchised Business.

V. Miscellaneous

1. Franchisee shall give Franchisor advance written notice of Franchisee's intent to institute legal action against Franchisor, specifying the basis for such proposed action, and shall grant Franchisor thirty (30) days from receipt of said notice to cure the alleged act upon which such legal action is to be based. Failure by Franchisee to strictly follow the aforesaid procedure shall automatically render any such litigation void and dismissable upon Franchisor's appropriate Motion, with Franchisee paying to Franchisor its legal fees and costs incurred in defending such litigation.

W. Internet

Franchisee must have Internet access at all times. Franchisor or an affiliate sponsors and maintains the official Hood Guyz web site. Franchisor or an affiliate will list Franchisee's Business on this web site so long as Franchisee is not in default under this Agreement. Franchisee shall not have its own web site (or portion of a web site) relating to the Business. Franchisee shall not list its Business with any Internet directories, without Franchisor's prior written permission.

13. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO INSURANCE

A. Overall Coverage Required

Franchisee shall procure, prior to opening the Business, and shall maintain in full force and effect during the term of this Agreement at Franchisee's expense, an insurance policy or policies protecting Franchisor, and the officers, directors, members, partners, and employees of both Franchisor and Franchisee against any loss, liability, personal injury, death, property damage, or expense whatsoever arising or occurring upon or in connection with operating the Business. Franchisor shall be named as an additional insured on all such policies.

Prior to the opening of the Business and thereafter at least thirty (30) days prior to the expiration of any such policy or policies, Franchisee shall deliver to Franchisor certificates of insurance evidencing the proper coverage with limits not less than those required hereunder. All certificates shall expressly provide that not less than thirty (30) days prior written notice shall be given to Franchisor in the event of material alteration to termination, non-renewal, or cancellation of, the coverage's evidenced by such certificates.

B. Insurance Carrier Must be Approved by Franchisor

You must source your business liability insurance as we may specify in the Manual from time to time, presently from Hagar Insurance, Inc. 41891 Kalima Street, Suite B, Murrietal, CA 92562 or an alternate insurance carrier that we may designate in the future. Additional coverage's and higher policy limits may be specified by Franchisor from time to time), the following initial minimum coverage:

1. (a) Commercial General Liability Insurance, including coverage for products-completed operations, contractual liability, personal and advertising injury, fire damage, medical expenses, having a combined single limit for bodily injury and property damage of $1,000,000 per occurrence plus (b) non-owned automobile liability insurance and, if Franchisee owns, rents or identifies any vehicles with any Names and Marks or vehicles are used in connection with the operation of the Business, motor vehicle liability coverage for owned, non-owned, scheduled and hired vehicles having limits for bodily injuries of $250,000 per person and $500,000 per accident, and property damage limits of $100,000 per occurrence; plus (c) excess liability umbrella coverage for the general liability and motor vehicle liability coverage in an amount of not less than $250,000 per occurrence and aggregate. All such coverage's shall be on an occurrence basis and shall provide for waivers of subrogation.

2. All-risk property insurance, including theft and flood coverage (when applicable), written at replacement cost value covering the building, improvements, furniture, fixtures, equipment and inventory. Coverage shall be written in a value which will cover not less than eighty (80%) percent of the replacement cost of the building and one hundred (100%) percent of the replacement cost of the contents of the building.

3. Employer's Liability and Worker's compensation Insurance, as required by state law.

C. No Limitations on Coverage

Franchisee's obligations to obtain and maintain the foregoing insurance policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in this Agreement. Franchisee may maintain such additional insurance as it may consider advisable.

D. Franchisee Must Provide Evidence of Coverage to Franchisor

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

E. Franchisor May Procure Insurance Coverage

Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as described from time to time by the Manual or otherwise in writing, Franchisor shall have the right and authority (but no obligation) to procure such insurance and to charge same to Franchisee, which charges, together with a fee of 20% of premium payment for Franchisor's expenses in so acting, shall be payable by Franchisee immediately upon notice from Franchisor.

14. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO ACCOUNTING AND RECORDS

A. Bookkeeping, Accounting and Records

Franchisee shall maintain during the term of this Agreement, and shall preserve for a minimum of three (3) years, full, complete accurate records of sales, closeout sheets, payroll, accounts payable and accounts receivable using QuickBooks or other standard accounting system described by Franchisor in the Manual or otherwise specified in writing.

B. Franchisor's Right to Audit

Franchisor or its designated agents shall have the right, at all reasonable times, to examine and copy, at Franchisor’s expense, the books, records, and tax returns of Franchisee and the Business. Franchisor shall also have the right, at any time, to have an independent audit made of the books of the Business. If an inspection should reveal that any payments to Franchisor have been understated in any report to Franchisor, then Franchisee shall immediately pay to Franchisor the amount understated upon demand, in addition to interest on such amount from the date such amount was due until paid, at the Default Rate, calculated on a daily basis. If an inspection discloses an understatement in any payment to Franchisor of two (2%) percent or more, Franchisee shall, in addition, reimburse Franchisor for any and all costs and expenses relating to the inspection (including, without limitation, travel, lodging and wage expenses and reasonable accounting and legal costs), and, at Franchisor's discretion, submit audited financial statements prepared, at Franchisee' expense, by an independent certified public accountant satisfactory to Franchisor.

C. Reporting of Gross Sales

Franchisee shall submit to Franchisor during the term of this Agreement, after the opening of the Business, (a) a royalty report, on a one (1) week accounting period basis in the form prescribed by Franchisor from time to time, accurately reflecting all Gross Sales during each preceding one-week accounting period, and such other data or information as Franchisor may require, from time to time, said report to be received by Franchisor within five (5) days from the date of expiration of each such one (1) week accounting

period; and (b) profit and loss statements, balance sheets and trial balances prepared in accordance with generally accepted accounting principles, consistently applied, for each accounting period, to be received by Franchisor within fifteen (15) days after the date of expiration of each period covered by the report, (c) copies of all tax returns relating to sales at the Business to be received by Franchisor within ten (10) days of the end of the state sales tax reporting period, and (d) such other data or information as Franchisor may require, from time to time.

D. Submission of Financial Statements

Franchisee shall, at its expense, submit to Franchisor, within thirty (30) days of the end of each calendar month during the term of this Agreement, on forms prescribed by Franchisor, a financial statement, which may be unaudited, for the preceding month, including both an income statement and balance sheet. Each financial statement shall be signed by Franchisee or by Franchisee's Treasurer or Chief Financial Officer, attesting that the statement is true and correct. Franchisee shall also, at its expense, submit to Franchisor within sixty (60) days of the end of each fiscal year of Franchisee during the terms of this Agreement, a complete financial statement for said fiscal year including, without limitation, both an income statement and balance sheet, which may be unaudited, together with such other information in such form as Franchisor may require. Franchisee shall also submit to Franchisor the current financial statement and other forms, records, reports, information, and data as Franchisor may reasonably designate, in the form, and at the times and the places reasonably required by Franchisor, upon request, and as specified from time to time in the Manual or otherwise in writing.

E. Disclosure of Financial Statements

Franchisee hereby grants permission to Franchisor to release to Franchisee's landlord, lenders or prospective landlords or lenders, any financial and operational information relating to Franchisee and/or the Business; however, Franchisor has no obligation to do so.

15. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO USES OF NAMES AND MARKS

A. Names and Marks are Owned by Franchisor

Franchisor warrants with respect to the proprietary Names and Marks that:

1. Franchisor is taking and will take such steps as are reasonably necessary to preserve and protect the ownership and validity of such Names and Marks; and

2. Franchisor will use and permit Franchisee and other franchisees to use the Names and Marks with the System and standards attendant

thereto, which underlie the goodwill associated with and symbolized by the Names and Marks.

B. Franchisee is Licensed to Use Names and Marks

With respect to Franchisee's franchised use of the Names and Marks pursuant to this Agreement, Franchisee agrees that:

1. Franchisee is required to use the mark “Hood Guyz” to operate this franchise and such other Names and Marks as are approved in writing by Franchisor for Franchisee's use, and shall use them only in the manner authorized and permitted by Franchisor and that in any use whatsoever of the Names and Marks of Franchisor that the Names and Marks are identified as being registered to or owned by Franchisor;

2. Franchisee shall use the Names and Marks only in connection with the operation of the Business and in advertising for the Business conducted within the Authorized Territory;

3. Franchisee shall use and display, as Franchisor may require in the operation of the Business, a notice in the form approved by Franchisor indicating that Franchisee is a "Franchised Operator" under the System and that the Names and Marks are used by Franchisee under such Franchise;

4. Unless otherwise authorized or required by Franchisor, Franchisee shall operate and advertise the Business under the Name and Mark "Hood Guyz";

5. Franchisee's right to use the Names and Marks is limited to such usages as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of Franchisor's rights;

6. Franchisee shall not use the Names and Marks to incur any obligations or indebtedness on behalf of Franchisor;

7. Franchisee shall not use the Names and Marks or any part thereof as part of its corporate or other legal name;

8. Franchisee shall comply with Franchisor's instructions in filing and maintaining the requisite trade name or fictitious name registration, and shall execute any documents deemed necessary by Franchisor or its counsel to obtain protection for the Names and Marks or to maintain their continued validity and enforceability;

9. In the event any litigation involving the Names and Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor and shall cooperate fully with Franchisor in defending such litigation; and

10. During the term of this Agreement and any renewal hereof, Franchisee shall identify itself as the owner of the Business in conjunction with any use of the Names and Marks, including, but not limited to, on invoices, order forms, receipts, and contracts, as well as at such conspicuous locations on the premises of the Business as Franchisor may designate in writing. The form and content of such identification shall comply with standards set forth in the Manual.

C. Franchisee Will Not Challenge Franchisor's Rights In Its Names and Marks

Franchisee expressly understands and acknowledges that:

1. As between the parties hereto, Franchisor is the owner of all right, title, and interest in and to the Names and Marks and the goodwill associated with and symbolized by them;

2. The Names and Marks are valid and serve to identify the System and those who are franchised under the System;

3. Franchisee shall not directly or indirectly contest the validity or the ownership of the Names and Marks;

4. Franchisee's use of the Names and Marks pursuant to this Agreement does not give Franchisee any ownership interest or other interest in or to the Names and Marks, except the non-exclusive Franchise granted herein;

5. Any goodwill arising from Franchisee's use of the Names and Marks in its Business under the System shall inure solely and exclusively to Franchisor's benefit, and upon expiration or termination of this Agreement and the Franchise herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Names and Marks;

6. Franchisor reserves the right to substitute different Names and Marks for use in identifying the System, the Business and other franchised businesses operating thereunder; and

7. Franchisee hereby agrees not to register or attempt to register the Names and Marks in Franchisee's name or that of any other firm, person or corporation.

8. The right and license of the Names and Marks granted hereunder to Franchisee is nonexclusive, and Franchisor thus has and retains the rights, among others:

a. To use the Names for itself in connection with selling products and services;

b. To grant other licenses for the Names and Marks, in addition to those licenses already granted to existing franchisees; and

c. To develop and establish other systems using similar Names and Marks, or any other proprietary marks, and to grant licenses or franchises thereto at any location(s) whatsoever without providing any rights therein to Franchisee.

9. Franchisee understands and acknowledges that Franchisor has the unrestricted right to engage, directly or indirectly, through its or their employees, representatives, licensees, assigns, agents and others, at wholesale, retail and otherwise, in the production, distribution and sale of products and services bearing the Names and Marks licensed hereunder or other names or marks, including without limitation, products and services included as part of the System. Franchisee shall not under any circumstances engage in any wholesale trade or sale of System products or services for resale.

16. SPECIFIC OBLIGATIONS OF THE FRANCHISEE RELATING TO CONFIDENTIALITY OF PROPRIETARY INFORMATION

A. Franchisee Will Learn Proprietary Matters

Franchisee acknowledges that he or she will obtain knowledge of proprietary matters, techniques and business procedures of Franchisor that are necessary and essential to the operation of the Business, without which information Franchisee could not effectively and efficiently operate such business including, without limitation, knowledge regarding the System, the layout of the Business and the Manual. Franchisee further acknowledges that such Proprietary Information was not known to Franchisee prior to execution of this Agreement and that the methods of Franchisor are unique and novel to the System. As used herein, "Proprietary Information" shall mean confidential information concerning:

1. Persons, corporations or other entities which are, have been or become Franchisees of the System and any investors therein;

2. Persons, corporations or other entities which are, have been or become customers of the Business;

3. The terms of and negotiations relating to past or current Franchise Agreements with respect to the System;

4. The operating procedures of the System, including without limitation: all techniques and methods utilized in commercial kitchen exhaust system cleaning, inspection, maintenance and restoration; advertising, software, personnel hiring

and training procedures, the manufacturers, suppliers and uses of equipment, and lists of vendors and suppliers;

5. The economic and financial characteristics of the System and Franchisees, including without limitation: pricing policies and schedules, profitability, earnings and losses, and capital and debt structures;

6. The services and products offered to customers of Businesses including, without limitation: the scope and nature of services performed and services refused; and

7. All documentation of the information listed in Sections 16.1. through 16.A.7 hereof including, without limitation, the Manual. During the term of this Agreement and for a period of five (5) years following the expiration or termination of this Agreement, Franchisee agrees not to divulge, directly or indirectly, any Proprietary Information, without the prior written consent of Franchisor. Nothing contained herein shall be construed so as to require Franchisor to divulge any secret processes, formulas, or the like.

B. Franchisee's Employees Will Not Disclose Proprietary Information

The Franchisee may disclose Proprietary Information only to such of its employees, agents and representatives as must have access to it in order to operate the Business. Franchisee shall obtain from each such employee, representative or agent, an agreement that such person shall not, during the course of his employment, representation, or agency with Franchisee, or for a period of five (5) years thereafter, use, divulge, disclose or communicate, directly or indirectly, in any form or manner, to any person, firm or corporation, any of the Proprietary Information of Franchisor.

C. Injunctive Relief is Available to Franchisor

Franchisee acknowledges that any failure to comply with the requirements of this Section 17 will cause Franchisor irreparable injury, and Franchisor shall be entitled to obtain specific performance of, or an injunction against, any violation of such requirements; Franchisee waives any requirements for the posting of any bond(s) relating thereto. Franchisee agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining specific performance of, or an injunction against, violation of requirements of this Section 16. The foregoing remedies shall be in addition to any other legal or equitable remedies which Franchisor may have.

D. Franchisor's Patent Rights and Copyrights

Franchisor does not own rights in or to any patents that are material to the Franchise. However, Franchisor claims copyright protection for the Manual and certain marketing, sales, and operations literature. Furthermore, Franchisor claims rights to certain trade secrets and confidential information as discussed above.

17. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO TAXES, PERMITS AND LAWSUITS

A. Franchisee Must Notify Franchisor of Lawsuits

Franchisee shall notify Franchisor in writing within five (5) days of notice of the commencement of any action, suit, or proceeding against Franchisee, and of the issuance of any inquiry, subpoena, order, writ, injunction, award or decree of any court, agency, or other governmental instrumentality, which arises out of, concerns, or may affect the operation or financial condition of the Business including, without limitation, any criminal action or proceedings brought by Franchisee against its employees, customers, or other persons.

B. Franchisee Must Comply With Laws

Franchisee shall, at Franchisee's expense, comply with all federal, state and local laws, rules, regulations and ordinances and shall timely obtain and shall keep in force as required throughout the term of this Agreement all permits, certificates and licenses necessary for the full and proper conduct of the Business including, without limitation, any required permits, licenses to do business, fictitious name registrations, sales tax permits, and fire clearances.

C. Franchisee Must Pay Taxes Promptly

Franchisee shall promptly pay when due all taxes levied or assessed including, without limitation, unemployment and sales taxes, and all accounts and other indebtedness of any kind incurred by Franchisee in the conduct of the Business. Franchisee shall pay Franchisor an amount equal to any sales tax, gross receipts tax or similar tax imposed on Franchisor with respect to any payments to Franchisor required under this Agreement, unless tax is credited against income tax otherwise payable by Franchisor.

D. Franchisee May Contest Tax Assessments

In the event of any bona fide dispute as to any liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law. However, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the premises of the Business, or any improvements thereon, or against any assets or vehicles owned by the Franchisee.

18. SPECIFIC OBLIGATION OF FRANCHISEE RELATING TO INDEMNIFICATION

Franchisee understands and agrees that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name. Franchisee further understands and agrees that Franchisor shall in no event assume liability for, or be deemed liable hereunder, as a result of any such action, or by reason of any act or omission of Franchisee in its conduct of the Business or any claim or judgment arising therefrom against Franchisee. Franchisee shall indemnify and hold Franchisor and Franchisor's officers, directors, shareholders and employees harmless against, and shall indemnify Franchisor for, any and all claims arising directly or indirectly from, as a result of, or in connection with, Franchisee's operation of the Business, as well as the cost, including attorney's fees, of defending against same.

19. MISCELLANEOUS COVENANTS OF FRANCHISEE

A. Covenants are Independent

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

B. Franchisee Will Not Compete Against Franchisor

In-Term. Franchisee covenants that, except as a duly authorized Franchisee pursuant to this Agreement, Franchisee shall not, during the term of this Agreement, directly or indirectly, offer commercial kitchen exhaust system cleaning, inspection, maintenance or restoration services in the United States.

Post-Term. Franchisee covenants that Franchisee shall not, for two (2) years after the expiration or termination of this Agreement, directly or indirectly, offer commercial kitchen exhaust system cleaning, inspection, maintenance or restoration services within the Territory or within 25 miles of the boundaries of the Territory designated above.

C. Exception to Covenant Not to Compete

Section 19.B. hereof shall not apply to ownership by Franchisee of less than a five percent (5%) beneficial interest in the outstanding equity securities of any Publicly-Held Corporation.

D. Franchisee Will Not Divert Business

During the term of this Agreement and for a period of two (2) years following the expiration or termination of this Agreement, Franchisee covenants that it will not, either directly or indirectly:

1. Divert or attempt to divert business or customers of the Business with which or with whom Franchisee has had contact during the term of this Agreement, to any competitor by direct or indirect inducement or otherwise; or

2. Do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Names and Marks or the System or both.

E. Franchisor Is Entitled to Injunctive Relief

Franchisee acknowledges that any failure to comply with the requirements of this Section 19. will cause Franchisor irreparable injury for which no adequate remedy at law may be available, and Franchisee hereby accordingly consents to the issuance by a court of competent jurisdiction of an injunction prohibiting any conduct by Franchisee in violation of the terms of this Section 19. and waives any requirement for the posting of any bond(s) relating thereto. Franchisor may further avail itself of any legal or equitable rights and remedies which it may have under the Agreement or otherwise.

F. Covenants Are Enforceable Independent of Claims

Franchisee expressly agrees that the existence of any claim it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants of this Section 19. Franchisee further agrees that Franchisor shall be entitled to set-off any amounts owed by Franchisor to Franchisee against any loss or damage to Franchisor resulting from Franchisee's breach of this Section 19.

G. No Right of Set-Off

Franchisee expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense or set-off to the enforcement by Franchisor of the covenants in this Section 19. Franchisee agrees to pay all damages, costs and expenses (including reasonable attorney's fees) incurred by Franchisor in connection with the enforcement of this Section 19, without any right of set-off.

20. OBLIGATIONS OF THE FRANCHISOR: SUPERVISION, ASSISTANCE AND SERVICES

The Franchisor shall provide the Franchisee with the following assistance and services:

A. The Training Program

1. The Franchisor will provide a training program concerning the operation of the Business consisting of four (4) days of training at a location to be designated by Franchisor. The training session will begin approximately thirty (30) days or more before the opening of the Business. The exact days will be mutually selected by Franchisor and Franchisee. Franchisee and/or his or her designated representative shall attend such training program at no charge to the Franchisee. Franchisee shall be responsible for any travel, lodging, meal or other costs for the attendee(s) of the training program at the Franchisor's Home Office. Franchisee must have at least one fully-trained, full-time Manager operating the Business during the entire term of the Agreement. Either the Franchisee or Franchisee's Manager must attend the training sessions. Any person subsequently employed as a full-time manager of the Business may be required by Franchisor to complete the initial training program. Satisfactory completion of all mandatory training sessions is required. Failure to do so shall result in a breach of this Agreement.

2. Franchisor may also offer training resources, at a cost to Franchisee to be determined by Franchisor, to assist franchisee at their business location for hourly employees.

3. Franchisor may also provide additional or refresher training programs for Franchisee and Franchisee's employees as Franchisor deems appropriate.

4. Franchisee may make reasonable request for training in addition to that specified above, and Franchisor may provide such training, at Franchisee's expense including, without limitation, any travel, lodging, meals and other related costs.

5. Franchisee shall complete and/or shall cause its employees to complete, to Franchisor's satisfaction, such other additional training as Franchisor may reasonably require from time to time.

B. Site Selection

You select the actual site of your business headquarters within the Authorized Territory provided in the Franchise Agreement. You may work from home or any location in your Territory. We do not provide any assistance in site selection, and we do not need to approve the location of your headquarters.

C. Operational Assistance

In addition to the assistance rendered to the Franchisee prior to opening, the Franchisor will provide continuing consultation and advice regarding operational issues. The Franchisor will normally provide such assistance electronically or by telephone.

D. Operations Manual

In order to protect the reputation and goodwill of Franchisor and to maintain high standards of operation under Hood Guyz Proprietary Marks, Franchisee shall conduct its business in accordance with this Agreement, Operations Manual, Training Manuals, and electronic bulletins or notices, described herein collectively as the "Manuals," and other written directives which Franchisor may issue to Franchisee from time to time.

Franchisee shall at all times treat the Manuals in trust and as confidential information, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall not at any time copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person.

Franchisor may from time to time revise the contents of the Manuals and the contents of any other manuals and materials created or approved for use in the operation of the Business, and Franchisee expressly agrees that each new or changed standard shall be deemed effective upon receipt by Franchisee or as specified in such standard.

Any suggestions Franchisee may have concerning the improvement of products, equipment, uniforms, business facilities, service format and advertising are encouraged and shall be considered by Franchisor when adopting or modifying the standards, specifications and procedures for the System.

E. Selecting Suppliers

Franchisor shall provide Franchisee with a list of approved suppliers of necessary supplies.

F. Recommended Price Schedules

Franchisor shall advise Franchisee from time to time concerning suggested retail prices. Franchisor and Franchisee agree that any list or schedule of prices furnished to Franchisee by Franchisor is a suggested retail price list only. Nothing contained herein shall be deemed a representation by Franchisor that the use of the Franchisor's suggested prices will in fact optimize profits.

G. Advertising and Promotion

Initial Direct Mail Campaign. We conduct direct mail to promote your business prior to and during your first three months of operation.

The Franchisor shall, in its discretion, develop and provide creative materials for local and regional advertising and make such advertising materials available to its Franchisees for publication or distribution in the Franchisee's market area at Franchisee's own expense. The Franchisor may be reimbursed for the creative and production costs for such items

as billboard design, radio and electronic production, public relations campaigns, copy for newspaper, magazine advertisements, flyers and other promotional material. The Franchisor shall provide specific guidelines for advertising initiated by individual Franchisees and shall reserve the right to disapprove any advertising which, in the Franchisor's opinion, is not in accordance with these guidelines. However, no approval shall be unreasonably withheld or denied. Immediately upon notification to do so, Franchisee shall discontinue any advertising that would, in the Franchisor's opinion, be detrimental.

H. Accounting; Cost and Inventory Control

Franchisor shall provide the requirements for a standardized system for accounting, cost control and inventory control.

I. Billing Services

Franchisor shall provide to Franchisee billing services according to Franchisor's then-current policies and procedures. Franchisee must fully cooperate with Franchisor to implement and update these billing services.

J. Hood Guyz Franchise Management Software System

Franchisor shall provide to Franchisee Hood Guyz Franchise Management Software System to assist in the operation of the Business.

21. VARYING STANDARDS

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

22. SALE OF FRANCHISE

A. Assignment by Franchisee

This Agreement restricts the Franchisee's right to assign or transfer the Agreement or the Business to a third party. Neither the Business nor this Agreement, nor any of the Franchisee's rights or privileges therein, shall be assigned, transferred, shared, redeemed or divided by operation of law or otherwise, in any manner, without the prior

written consent of Franchisor, which consent will not be withheld or delayed unreasonably. In granting any such consent, the Franchisor may impose reasonable conditions, including, without limitation, the following:

1. Franchisee must be in full compliance with the terms of this Franchise Agreement, including being paid in full on all fees due and payable to us or our affiliates;

2. The proposed assignee (or its owners, if it is an entity, must meet the then-applicable standards of Franchisor;

3. The proposed assignee must not operate a franchise, license or other business offering services similar to those offered by the Business;

4. The assignee must execute and agree to be bound by the then-current form of this Agreement, which form may contain provisions which materially alter the rights or obligations of Franchisee under this Agreement;

5. Franchisor shall not charge such assignee an Initial Franchise Fee for the Franchise, but will charge a transfer fee of twenty-five (25%) percent of the then-current Initial Franchise Fee charged by Franchisor. If Franchisor determines that training is required, assignee will attend training at Franchisor's Home Office as required under the then-current Franchise Agreement. Franchisor shall have the right to require Franchisee and its owners to execute a General Release of Franchisor in a form satisfactory to Franchisor's counsel as a condition to its approval of assignment or other transfer of the Franchise;

6. Franchisee shall have substantially complied with all of the terms and provisions of this Agreement, any amendment hereof or successor hereto, or any other agreements between the Franchisee and Franchisor, its subsidiaries or affiliates and, at the time of transfer, shall not be in default thereof;

7. The Franchisee-transferor shall have executed a General Release under seal, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its officers, directors, shareholders, and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state, and local laws, rules, and ordinances;

8. The transferee (and, if the transferee is other than an individual, such principals and/or owners of a beneficial interest in the transferee as Franchisor may request) shall enter into a written assumption agreement, in a form satisfactory to Franchisor, assuming and agreeing to discharge all of Franchisee's obligations under this Agreement and/or any new franchise agreement, as hereinafter provided;

9. The transferee shall demonstrate to Franchisor's satisfaction that the transferee meets Franchisor's educational, managerial, and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the Business (as may be evidenced by prior related business experience or otherwise); and has adequate financial resources and capital to operate the Business;

10. The transferee (and, if the transferee is other than an individual, such principals and/or owners of a beneficial interest in the transferee as Franchisor may request) shall execute, for a term ending on the expiration date of this Agreement and with such renewal term, if any, as may be provided by this Agreement, the standard form Franchise Agreement then being offered to new System franchisees and such other ancillary agreements as Franchisor may require for the Business, which agreements shall supersede this Agreement in all respects and the terms of which agreements may differ from the terms of this Agreement including, without limitation, a higher percentage royalty rate, advertising contribution, and service charge for goods; provided, however, that the transferee shall not be required to pay an Initial Franchise Fee;

11. The transferee, at its expense, shall upgrade the Business to conform to the then-current standards and specifications of the new entry System and shall complete the upgrading and other requirements within the time specified by Franchisor;

12. Franchisee shall remain liable for all of the obligations to Franchisor in connection with the Business prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability;

13. Franchisee shall agree to remain obligated under the (1) covenants against competition; (2) the covenants against disclosure of confidential or proprietary information; and (3) any other similar covenants contained in this Agreement which, by their nature, were designed to survive termination thereof; as if this Agreement had been terminated on the date of the transfer;

14. At the transferee's expense, the transferee and, if applicable, the transferee's designated individual manager shall complete any training programs then in effect for franchisees upon such terms and conditions as Franchisor may reasonably require; and

15. The transferee shall agree to a sublease or to a transfer and assignment, and assumption of the lease of the Business site from the original franchisee and shall obtain the landlord's approval if required prior to any transfer or sublease, if applicable.

B. Assignment by Franchisor

Franchisor has an unrestricted right to transfer or assign all or part of its rights or obligations under this Agreement to any assignee or other legal successor to the interests of Franchisor.

C. Transfer Upon Death or Mental Incapacity

Upon the death or mental incapacity of any person with an interest in the Business (the “Principal”), the executor, administrator, or personal representative of that person must transfer his interest to a third party approved by Franchisor within six (6) months after death or mental incapacity. These transfers including, without limitation, transfers by devise or inheritance, will be subject to the same restrictions and conditions as any inter vivos transfer. However, in the case of a transfer by devise or inheritance, if the heirs or beneficiaries of any deceased person are unable to meet the conditions of this Agreement, the personal representative of the deceased Franchisee shall have a reasonable time to dispose of the deceased's interest in the Business, which disposition will be subject to all the terms and conditions for transfer contained in this Agreement. If the interest is not disposed of within a reasonable time, Franchisor may terminate this Agreement.

Pending assignment, upon the death of the Principal, or in the event of any temporary or permanent mental or physical disability of the Principal, a manager who has successfully completed Franchisor's training courses to operate the Business for the account of Franchisee shall be employed for the operation of the Business. If after the death or disability of the Principal, the Business is not being managed by such trained manager, Franchisor is authorized to appoint a manager to maintain the operation of the Business until an approved assignee will be able to assume the management and operation of the Business, but in no event for a period exceeding one (1) year without the approval of the personal representative of the Principal; such manager shall be deemed an employee of the Franchisee. All funds from the operation of the Business during the period of management by such appointed or approved manager shall be kept in a separate fund and all expenses of the Business, including compensation of such manager, other costs and travel and living expenses of such appointed or approved manager (the "Management Expenses"), shall be charged to such fund. As compensation for the management services provided, in addition to the Fees due hereunder, Franchisor shall charge such fund the full amount of the direct expenses incurred by Franchisor during such period of management for and on behalf of Franchisee, provided that Franchisor shall only have a duty to utilize reasonable efforts and shall not be liable to Franchisee, the Principal or personal representative of the Principal, the Entity or any person or entity having an interest therein for any debts, losses or obligations incurred by the Business, or to any creditor of Franchisee or the Principal during any period in which it is managed by a Franchisor-appointed or approved manager.

D. Sale of Franchised Business

If the Franchisee (or its owners) desire to sell the Business, or part or all of the ownership of the Business, then Franchisor will reasonably assist Franchisee (or its owners) in connection therewith. If Franchisee (or its owners) shall obtain a bona fide written offer to purchase the Business, or such ownership, such offer shall be submitted promptly to Franchisor. For a period of thirty (30) days from the date of Franchisor's receipt of such offer, Franchisor shall have the right, exercisable by written notice to Franchisee (or its owners), to purchase the Business, or such ownership, for the price and on the same terms and conditions contained in such offer, provided that Franchisor may substitute cash for any form of payment proposed in such offer. If Franchisor does not exercise its right of first refusal, the bona fide written offer may be accepted by Franchisee or its owners, subject to the prior written approval of Franchisor. To enable Franchisor to determine whether it will exercise its option, Franchisee and the seller shall provide such information and documentation, including financial statements, as Franchisor may require. In the event that Franchisor elects to purchase said interest, closing on such purchase must occur within ninety (90) days from the date of notice to the seller of the election to purchase said Interest by Franchisor. Failure of Franchisor to exercise the option afforded by this Section 22.D. shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 22, with respect to a proposed transfer of any Interest. Any subsequent change in the terms of any offer prior to closing shall constitute a new offer subject to the same rights of first refusal by Franchisor as in the case of an initial offer.

23. TERMINATION OF FRANCHISE

A. By Franchisor

Franchisee acknowledges that the strict performance of all the terms of this Agreement is necessary not only for protection of Franchisor, but also the protection of Franchisee and other franchisees of Franchisor. As a result, Franchisee therefore acknowledges and agrees that strict and exact performance by Franchisee of each of the covenants and conditions contained herein is a condition precedent to the continuation of this Agreement.

B. Termination of Franchise Without Cure

Franchisor may terminate the Franchisee Agreement by providing notice to the Franchisee without providing an opportunity to cure, if Franchisee does any of the following:

1. If Franchisee's alternate candidate for management training shall not adequately complete such management training program, after either Franchisee or Franchisee's designated individual previously failed to complete adequately the management training.

2. Abandons, surrenders, or transfers control of the operation of the Business or fails to continuously and actively operate the Business, unless precluded from doing so by damage to the premises of the Business due to war, act of God, civil disturbance, natural disaster, labor dispute or other events beyond Franchisee's reasonable control;

3. Has made a material misrepresentation or omission on the application for the Franchise;

4. Transfers, assigns, or subfranchises this Agreement without having the prior written consent of Franchisor, as set forth herein;

5. Discloses or divulges the contents of the Manuals or any other Proprietary Information provided to Franchisee by Franchisor;

6. Fails or refuses to comply with any provision of this Agreement or any other agreement between Franchisor and Franchisee relating to the Business or the Franchise, and does not correct such failure or refusal within thirty (30) days after written notice of such failure or refusal to comply is delivered to Franchisee;

7. Is convicted of a felony or has pleaded nolo contendere to a felony;

8. Becomes insolvent (meaning unable to pay bills as they become due in the ordinary course of business);

9. If Franchisee maintains false books or records, or submits any false reports to Franchisor;

10. If any inspection of Franchisee's records discloses an understatement of payments due Franchisor of four (4%) percent or more; or

11. Commits three or more breaches of this Agreement or the Operations Manual, including failure to pay to us monies when due, within a 12 month period, regardless of whether such breaches were cured after notice.

C. Termination of Franchise With Cure

Except as to defaults listed in “A” above, Franchisee will provide notice and the opportunity to cure within ten (10) calendar days for any other breaches of the Franchise Agreement or Operations Manual, including the duty to make payments to Franchisor. If Franchisee shall fail to remedy such breach, then Franchisor can terminate this Agreement after delivery of notice of termination to Franchisee.

D. By Franchisee

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

24. FRANCHISEE'S OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination of expiration of this Agreement, Franchisee shall:

A. Cease operating the Franchised Business:
B. Discontinue use of Franchisor's Names, Marks, and confidential and proprietary information;
C. Cancel all assumed or fictitious name registrations for any of the Names or Marks;
D. Transfer telephone numbers used in the Franchised Business to Franchisor if so requested. Franchisee hereby appoints Franchisor as attorney in fact to direct any telephone companies or directories to transfer phone numbers and listings to Franchisor or its designee;
E. Deliver to Franchisor any Operations Manual, customer lists and information, and other confidential or proprietary materials in Franchisee's possession;
F. Make available to Franchisor to purchase inventory and equipment at fair market value (less any liens or encumbrances). If the parties cannot agree on a fair market value, then Franchisor may appoint an appraiser and his or her valuations shall be binding and the cost of the appraisal deducted from the amount paid for the inventory and equipment;
G. Pay to Franchisor with 15 days of the termination or expiration all monies owed to Franchisor. Franchisee shall also pay to Franchisor all damages, costs, and expenses, including reasonable attorney's fees, incurred by Franchisor in obtaining injunctive or other relief for the enforcement of any provisions of Section 19;
H. Comply with all post termination covenants found in Section 19 and any other duties that require performance post termination or expiration.

25. ENFORCEMENT

A. Franchisee May Not Withhold Payments Due Franchisor

Franchisee agrees that he or she will not withhold payments of any Base Royalty Fees or any other amounts of money owed to Franchisor for any reason, on grounds of alleged nonperformance by Franchisor of any obligation hereunder. All such claims by Franchisee shall, if not otherwise resolved by Franchisor and Franchisee, be submitted to arbitration as provided in this Agreement.

B. Severability and Substitution of Valid Provisions

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

C. Dispute Resolution

1. **Choice of Law.** This Agreement is effective upon its acceptance in Florida by our authorized officer. Except as to claims governed by federal law, Florida law governs all claims that in any way relate to or arise out of this Agreement or any of the dealings of the parties ("Claims"). However, no laws regulating the sale of franchises or governing the relationship between franchisor and franchisee shall apply unless the jurisdictional requirements of such laws are met independently of this paragraph.

2. **Jurisdiction and Venue.** You and we agree that venue and jurisdiction for any Claims shall be proper solely in the state and federal court nearest to our corporate headquarters, presently located in Broward County, Florida.

3. **Jury Waiver.** In any trial between any of the parties as to any Claims, you and we agree to waive our rights to a jury trial and instead have such action tried by a judge.

4. **Class Action Waiver.** You agree to bring any Claims, if at all, individually and you shall not join such claim with claims of any other person or entity or bring, join or participate in a class action against us.

5. **Punitive Damages Waiver.** As to any Claims, you and we agree to waive our rights, if any, to seek or recover punitive damages.

6. **Limitation of Actions.** You agree to bring any Claims against us, if at all, within one (1) year of the occurrence of the facts giving rise to such

Claims, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.

7. **Prior Notice of Claims.** As a condition precedent to commencing an action for a Claim, you must notify us within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

8. **Internal Dispute Resolution.** You must first bring any Claim to our CEO, after providing notice as set forth in Section 25(C)7 above. You must exhaust this internal dispute resolution procedure before you may bring your Claim before a third party.

9. **Mediation.** Before you may bring any Claim against us in court, you agree to try for a period of 60 days to mediate such claim before a mutually agreed to mediator in the city or county where our headquarters are located. If we can not mutually agree on a mediator, you and we agree to use the mediation services of the American Arbitration Association ("AAA"), and split any AAA and mediator fees equally.

10. **Waiver of bond.** You agree that if we are forced to bring suit to enforce any provision of this Agreement, you agree to waive any requirement that we post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.

11. **Third Party Beneficiaries.** Our officers, directors, members, shareholders, agents, and employees are express third party beneficiaries of the terms of the Dispute Resolution provisions contained herein.

E. Construction

The within Agreement, together with any and all other agreements or instruments referred to herein or which relate to the purchase or lease by Franchisee from Franchisor of any vehicles, fixtures, signs, equipment, merchandise, or the like, constitute the entire agreement of the parties, and there are no other oral or written understandings or agreements between Franchisor or Franchisee relating to the subject matter of this Agreement. The headings of the many sections and paragraphs hereof are for convenience only and do not define, limit, or construe the contents of those sections or paragraphs. The term "Franchisee" as used herein is applicable to one or more persons, an entity, the singular usage includes the plural, and the masculine and neuter usages include the other and the feminine. References to "Franchisee" applicable to an individual or individuals shall mean the principal owner or owners of the equity or operating control of Franchisee if Franchisee is an entity.

F. Attorney Fees

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

G. There Are No Unwritten Agreements; Operations Manual is Subject to Change

This instrument contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect unless a subsequent modification in writing is signed by the parties hereto. The Operations Manual may be amended at any time by Franchisor, however, and Franchisee shall adapt its methods or procedures to comply with the requirements thereof.

H. Entire Agreement

This Agreement, the documents referred to herein, and the attachments hereto, if any, constitute the entire, full, and complete Agreement between Franchisor and Franchisee concerning the subject matter hereof, and supersede all prior agreements. However, nothing in this Agreement is intended to waive the representations in the Franchisor's franchise disclosure document. Except for those acts permitted to be made unilaterally by Franchisor hereunder, no amendment, change, or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

I. Force Majeure

Except for monetary obligations hereunder, or as otherwise specifically provided in this Franchise Agreement, if either party to this Agreement shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, or other causes beyond the reasonable control of the party required to perform such work or act under the terms of this Agreement not the fault of such party, then performance of such act shall be excused for the period of the delay, but in no event to exceed ninety (90) days from the stated time periods as set forth in Article I of this Franchise Agreement.

26. APPROVALS AND WAIVERS

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor therefor, and such approval or consent shall be obtained in writing.

Franchisor makes no representation, warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent, or suggestion to Franchisee or in connection with any consent, or by reason of any neglect, delay, or denial of any request therefor.

No failure of Franchisor to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with any of the terms herein. Waiver by Franchisor of any particular default or breach by Franchisee shall not affect Franchisor's rights with respect to any subsequent default of any nature, nor shall any delay, forbearance, or omission, breach or default by Franchisor to exercise any power or right arising out of any breach or default by Franchisee of any of the terms, provisions, or covenants hereof, affect or impair Franchisor's right to exercise the same, nor shall such constitute a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

27. AUTHORITY

Franchisee or, if Franchisee is an entity, the individuals executing this Agreement on behalf of such entity, warrant to Franchisor, both individually and in their representative capacities, that all principals of the entity have read and approved this Agreement, including the restrictions which this Agreement places upon their right to transfer their respective interests in the entity, as set forth in Section 22. herein.

28. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be sent either by fax, E-Mail, or personally delivered, or mailed by tracked delivery, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:

Tri-Way Cleaning Services, Inc.
320 S. Flamingo Road, PMB 116
Pembroke Pines, FL 33027
Attention: Franchise Department

Notices to Franchisee

Name of Franchisee: _____
Address of Franchisee: _____
_____

Any notice by certified, registered or express mail, or overnight delivery service, shall be deemed to have been given at the earlier of the date and time of receipt or refusal of receipt or, if by mail, three (3) business days after being deposited in the U.S mail.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Agreement on this _____ day of _____, _____.

_____
NAME OF FRANCHISEE ENTITY

By:_____
Individually and as President

_____
Individually

Tri-Way Cleaning Services, Inc.

By:_____
Vincent Garcia, President

SCHEDULE 1

GUARANTY

FOR VALUE RECEIVED, the receipt and sufficiency of which is hereby acknowledged, and to induce Tri-Way Cleaning Services, Inc. ("Franchisor") to enter into the attached Franchise Agreement (the "Franchise Agreement"), the undersigned (jointly and severally, if more than one) unconditionally guarantees to Franchisor, its successors and assigns, the prompt payment and performance of any and all payments, indebtedness, obligations and liabilities of every kind or nature now or at any time hereafter owing to Franchisor by the Franchisee identified in the Franchise Agreement ("Franchisee"), whether directly or indirectly, and the prompt, full and faithful performance and discharge by Franchisee of each of the terms, conditions, representations, warranties and provisions on the part of Franchisee contained in the Franchise Agreement or any modification, extension, renewal or substitution thereof. The undersigned agrees that no extension, compromise, arrangement, alteration in time or method of payment, and no other act or omission by Franchisor shall release or relieve the undersigned with respect to this Guaranty.

The undersigned agrees on demand to pay or reimburse Franchisor for all expenses, collection charges and attorneys' fees, whether out of court or in litigation, including appeals in bankruptcy court proceedings, incurred by Franchisor in endeavoring to collect, enforce or defend Franchisor's rights against Franchisee or under this Guaranty, with interest thereon subsequent to default at the highest lawful contract rate.

The undersigned waives (a) notice of demand, default, nonpayment, protest, any adverse change in Franchisee's financial condition, and all other notices to which Franchisee or the undersigned might otherwise be entitled, (b) Franchisor's granting of indulgences or extensions of terms of payment or performance, and (c) Franchisor's releasing Franchisee, any guarantor or other person primarily or secondarily liable for failing to prosecute, collect or assert any remedies against any of them or against any collateral therein appertaining.

The undersigned agrees that no delay or failure on Franchisor part in the exercise of any right or remedy against Franchisee or any of the undersigned shall operate as a waiver thereof, and no single or partial exercise by Franchisor of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

The undersigned agrees that this Guaranty shall be fully assignable by Franchisor and shall bind each of the undersigned, together with their heirs, legal representatives, successors and assigns directly, unconditionally and primarily.

Dated this _____ day of _____, 20___.

By : _____ By : _____
Home address: _____ Home address: _____
_____ _____

SCHEDULE 2
STATE ADDENDA TO THE FRANCHISE AGREEMENT

CALIFORNIA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

Sections 23.B and 23.C are deleted and in their place are substituted the following

> **23.B. Termination of Franchise Without Cure.** We may terminate this Agreement without notice and the opportunity to cure for any of the following reasons:

(a) The franchisee or the business to which the franchise relates has been judicially determined to be insolvent, all or a substantial part of the assets thereof are assigned to or for the benefit of any creditor, or the franchisee admits his or her inability to pay his or her debts as they come due;

(b) The franchisee abandons the franchise by failing to operate the business for five consecutive days during which the franchisee is required to operate the business under the terms of the franchise, or any shorter period after which it is not unreasonable under the facts and circumstances for the franchisor to conclude that the franchisee does not intend to continue to operate the franchise, unless such failure to operate is due to fire, flood, earthquake, or other similar causes beyond the franchisee's control;

(c) The franchisor and franchisee agree in writing to terminate the franchise;

(d) The franchisee makes any material misrepresentations relating to the acquisition of the franchise business or the franchisee engages in conduct which reflects materially and unfavorably upon the operation and reputation of the franchise business or system;

(e) The franchisee fails, for a period of 10 days after notification of noncompliance, to comply with any federal, state, or local law or regulation, including,

but not limited to, all health, safety, building, and labor laws or regulations applicable to the operation of the franchise;

(f) The franchisee, after curing any failure in accordance with Section 23.C. engages in the same noncompliance whether or not such noncompliance is corrected after notice;

(g) The franchisee breaches the franchise agreement three or more times in a 12-month period, whether or not corrected after notice;

(h) The franchised business or business premises of the franchise are seized, taken over, or foreclosed by a government official in the exercise of his or her duties, or seized, taken over, or foreclosed by a creditor, lienholder, or lessor, provided that a final judgment against the franchisee remains unsatisfied for 30 days (unless a supersedeas or other appeal bond has been filed); or a levy of execution has been made upon the license granted by the franchise agreement or upon any property used in the franchised business, and it is not discharged within five days of such levy;

(i) The franchisee is convicted of a felony or any other criminal misconduct which is relevant to the operation of the franchise;

(j) The franchisee fails to pay any franchise fees or other amounts due to the franchisor or its affiliate within five days after receiving written notice that such fees are overdue; or

(k) The franchisor makes a reasonable determination that continued operation of the franchise by the franchisee will result in an imminent danger to public health or safety.

23.C. Termination of Franchise With Cure. We may terminate this Agreement, after sending you notice and a 60 day opportunity to cure, for any other breach of this Agreement.

FRANCHISEE:	Tri-Way Cleaning Services, Inc
By:_____	By:_____ Vincent Garcia, President
By:_____	Date:_____

ILLINOIS ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. Illinois law governs the Franchise Agreement.

1. Section 25(G) of the Franchise Agreement is deleted and in its place is substituted the following:

You agree to bring any claim against us, including our present and former employees and agents, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association in the city or county where our National Headquarters office is located.

3. 815 ILCS 705/41 provides as follows: "Sec. 41. Waivers void. Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void."

FRANCHISEE:

By:_____

By:_____

Tri-Way Cleaning Services, Inc

By:_____
Vincent Garcia, President

Date:_____

MARYLAND ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

2. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. Pursuant to COMAR 02.02.08.16L, a general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

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

FRANCHISEE:

By:_____

By:_____

Tri-Way Cleaning Services, Inc

By:_____
Vincent Garcia, President

Date:_____

MINNESOTA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

  Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may <u>seek</u> injunctive relief. See Minn. Rules 2860.4400J.

  Also, a court will determine if a bond is required.

Any Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

FRANCHISEE:	Tri-Way Cleaning Services, Inc
By:_____	By:_____ Vincent Garcia, President
By:_____	Date:_____

NORTH DAKOTA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. You are not required to sign a general release upon renewal of the franchise agreement.

2. The franchise agreement is amended to also provide as follows:

> "Covenants not to compete are generally considered unenforceable in the State of North Dakota."

3. The provisions concerning choice of law, jurisdiction and venue, jury waiver, and waiver of punitive damages are hereby deleted and in their place is substituted the following language:

> "You agree to bring any claim against us, including our present and former employees, agents, and affiliates, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association."

4. North Dakota law governs any cause of action arising out of the franchise agreement.

5. Any requirement in the Franchise Agreement that requires you to pay all costs and expenses incurred by us in enforcing the agreement is void. Instead, the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

FRANCHISEE:

By:_____

By:_____

Tri-Way Cleaning Services, Inc

By:_____
Vincent Garcia, President

Date:_____

RHODE ISLAND ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the franchise agreement contains any provisions that conflict with the Rhode Island Franchise Investment Act, the provisions of this Addendum shall prevail to the extent of such conflict.

2. Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

3. Any provision in the franchise agreement requiring the application of the laws of a state other than Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

4. The Rhode Island Franchise Investment Act stipulates that you cannot release or waive any rights granted under this Act. Any provision of this franchise agreement, which constitutes a waiver of rights granted under the Act, is superseded.

5. You agree to bring any claim against us, including our present and former employees and agents, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association.

FRANCHISEE: Tri-Way Cleaning Services, Inc

By:_____ By:_____
Vincent Garcia, President

By:_____ Date:_____

SOUTH DAKOTA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. The Franchise Agreement is clarified to also indicate that 50% of the initial franchise fee and 50% of royalties are deemed paid for the use of our Marks and 50% are deemed paid for our training, support, and franchise system.

FRANCHISEE:

By:_____

By:_____

Tri-Way Cleaning Services, Inc

By:_____
Vincent Garcia, President

Date:_____

WASHINGTON ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a

franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Section 9(C) of the Franchise Agreement is amended to also state that collection of the initial franchise fee will be deferred until the franchisor has fulfilled its initial pre-opening obligations and the franchisee is open for business.

The undersigned does hereby acknowledge receipt of this addendum.

FRANCHISEE: Tri-Way Cleaning Services, Inc

By:_____ By:_____
Vincent Garcia, President

By:_____ Date:_____

WISCONSIN ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the Franchise Agreement contains any provision that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.

2. The Franchise Agreement is amended to also include the following language:

   With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

FRANCHISEE:

By:_____

By:_____

Tri-Way Cleaning Services, Inc

By:_____
Vincent Garcia, President

Date:_____

FDD EXHIBIT C

Operations Manual Table Of Contents

ITEM		PAGES IN SECTION
I	THEORY	26
II	CERTIFICATION	12
III	PAPERWORK	42
IV	EXHAUST HOODS	11
V	DUCTWORK	10
VI	FANS	11
VII	FIRE SUPRESSION	8
VIII	CLEANING EQUIPMENT	12
IX	POWER WASHERS	20
X	CHEMICALS	10
XI	SAFETY	98
XII	CLEANING	59
XIII	INSPECTIONS	24
XIV	SALES & MARKETING	118
XV		
TOTAL PAGES IN MANUAL		**461**

EXHIBIT D

List Of Franchisees
(as of December 31, 2019)

The following is a list of the names of all franchisees and the addresses and telephone numbers of their Businesses as of the end of our last fiscal year.

Operational Outlets:

Alabama

Tom Huett
5417 Sutherland Rd.
Mount Olive, AL 35117
205-746-6210

Florida

Pat & Marsha Johnson
1631 NW 28 Ave
Fort Lauderdale, FL 33311
561-583-5277

Horacio Araujo
8030 Old Kings Rd. S.
Jacksonville, FL 32217
904-386-0603

Larry Carlton
8020 Cleary Blvd., Apt. 204
Plantation, FL 33324
954-815-5468

Illinois

Jorge Alonso
6540 S. Kedvale Ave.
Chicago, IL 60629
312-843-2516

Louisiana

Chris Blakistone
110 Earline Drive

Lafayette, LA 70506
337-319-1584

Maryland
Charles Robinson
7426 Ricksway Blvd.
Pikesville, MD 21208
443-642-9193

New Jersey
Paul Yankowitz
9 Truman Dr.
Marlboro, NJ 07746
443-642-9193

North Carolina
Jeff & Lashay Palmer
700 Cape Fear St.
Fort Mills, SC 2917
803-659-4088

Yemi Adeneye
3104 Carrbourgh Dr.
Greensboro, NC 27406

Texas
Tom Jaquez
28210 Hickory Ct.
Magnolia, TX 77355
281-259-9966

Franchise Agreement Signed But Outlet Not Yet Open:

None

EXHIBIT E

Franchises Who Had an Outlet Terminated, Transferred, Etc.
(during our fiscal year ending December 31, 2019)

The following is a list of the name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had a business terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Florida

Jose Noriega
12280 NW 36th Place
Sunrise, FL 33323
954-647-6378

Tennessee
Dewayne Dowell
161 Gullett Cove
Atoka, TN 38004
901-618-3911

EXHIBIT F

Financial Statements

The following statement applies to the unaudited portion of the financial statements which follow:

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

Hood Guyz

BALANCE SHEET

As of May 31, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Cash on Hand	0.00
Wells Fargo (XXXXXX 0186)	224,207.73
Wells Fargo Direct Pay	0.00
Total Bank Accounts	**$224,207.73**
Accounts Receivable	
Accounts Receivable	122,253.75
Total Accounts Receivable	**$122,253.75**
Other Current Assets	
Acct. Receivable (Cash x Accrual Adj)	0.00
Undeposited Funds	5,329.00
Total Other Current Assets	**$5,329.00**
Total Current Assets	**$351,790.48**
Fixed Assets	
Accumulated Depreciation	-6,308.00
Computers/Office Equip/Furniture-2016	1,505.00
Ford F 250 - 2019 (Nitehawk Sweeper)	76,068.00
Office Furniture	1,000.00
Total Fixed Assets	**$72,265.00**
Other Assets	
Accumulated Amortization	-500.00
Organizational Costs	500.00
Total Other Assets	**$0.00**
TOTAL ASSETS	**$424,055.48**

Hood Guyz

BALANCE SHEET

As of May 31, 2020

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	0.00
Bank Loan	0.00
Total Accounts Payable	**$0.00**
Other Current Liabilities	
Acct. Payable (Adj. Acct.)	0.00
S/T Ford F 250 (740.21)	8,882.52
Total Other Current Liabilities	**$8,882.52**
Total Current Liabilities	**$8,882.52**
Long-Term Liabilities	
Interest (Ford F 250)	-6,344.60
L/T Ford F 250 (740.21)	35,530.08
Loan from Stockholders	0.00
Total Long-Term Liabilities	**$29,185.48**
Total Liabilities	**$38,068.00**
Equity	
Capital Stock	500.00
Opening Balance Equity	0.00
Retained Earnings	418,325.59
Net Income	-32,838.11
Total Equity	**$385,987.48**
TOTAL LIABILITIES AND EQUITY	**$424,055.48**

Hood Guyz

PROFIT AND LOSS

January - May, 2020

	TOTAL
Income	
Franchise Fees	10,000.00
Sales	700,138.30
Uncategorized Income	0.01
Total Income	**$710,138.31**
Cost of Goods Sold	
Equipment (for clients)	1,375.00
Franchise Payments	664,964.03
Supplies & Materials - COGS	843.56
Vehicle Wrap - COGS	2,461.00
Total Cost of Goods Sold	**$669,643.59**
GROSS PROFIT	**$40,494.72**
Expenses	
Advertising	8,518.05
Advertising/Promotional	1,779.00
Lead Portal	3,005.00
Print Advertising	406.60
Telemarketing	5,080.00
Total Advertising	**18,788.65**
Auto	2,985.84
Bad Debts	9,622.00
Bank Charges	474.00
Collection Company	237.50
Commissions & fees	1,200.00
Computer & Internet Expense	3,577.56
Dues & Subscriptions	3,777.41
Fraud Expense	13.14
Health Care Plan	1,220.56
Labor	4,471.60
Legal & Professional Fees	3,731.00
Office Expenses	961.70
Office Lease	3,408.04
Payroll	7,266.35
Payroll Tax	2,811.12
Professional Fees	2,274.19
QuickBooks Payments Fees	3,391.30
Supplies	5.22
Taxes & Licenses	2,520.42
Telephone Expense	595.23
Total Expenses	**$73,332.83**
NET OPERATING INCOME	**$ -32,838.11**
NET INCOME	**$ -32,838.11**

TRI-WAY CLEANING SERVICES, INC. d/b/a HOOD GUYZ
FINANCIAL STATEMENTS
DECEMBER 31, 2019

TABLE OF CONTENTS

Independent Auditor's Report	**Page 1**
Balance Sheets	**Page 2**
Statements of Operations and Shareholders' Equity	**Page 3**
Statements of Cash Flows	**Page 4**
Footnotes	**Page 5**

BARRY KNEPPER
CERTIFIED PUBLIC ACCOUNTANT
33202 SPRUCE POND CIRCLE PLAINVIEW, NY 11803

INDEPENDENT AUDITOR'S REPORT

To the shareholders
Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz:

We have audited the accompanying financial statements of Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz (the "Company"), which comprise the balance sheet as of December 31, 2019 and the related statement of income, stockholder's equity , and cash flows for the year then ended, and the related notes to financial statements. The financial statements of the Company as of December 31, 2018, were audited by other auditors whose report dated March 24,2019 expressed an unqualified opinion on those statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the U.S.("U.S. GAAS"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

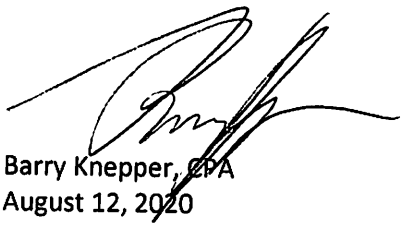
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz as of December 31, 2019 and the results of its operations and its cash flows for the year then ended in accordance with U.S. GAAP.

Emphasis of Matter

The COVID-19 outbreak in 2020(see Note6)has caused business disruption in a variety of industries, markets and geographic regions, which has resulted in considerable amount of uncertainty at the financial impact and duration, which cannot be reasonably estimated at this time. Our opinion is not modified with respect to this matter.



Barry Knepper, CPA
August 12, 2020

TRI-WAY CLEANING SERVICES, INC. d/b/a HOOD GUYZ
BALANCE SHEETS

	DECEMBER 31	
	2019	2018
ASSETS		
Current Assets		
Cash	$ 185,319	$ 124,185
Accounts receivable	237,618	129,652
Other current assets	5,989	4,529
Total current assets	428,926	258,366
Fixed assets,net	72,265	—
Total Assets	$ 501,191	$ 258,366
LIABILITITES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	$ 38,000	—
Loan payable-current	8,883	—
	46,883	—
Loan payable	29,185	—
Shareholders' Equity		
Common Stock	500	500
Retained earnings	424,623	257,866
	425,123	258,366
Total Liabilities and Shareholders' Equity	$ 501,191	$ 258,366

See notes to financial statements

TRI-WAY CLEANING SERVICES,INC -d/b/a HOOD GUYZ
STATEMENTS OF OPERATIONS AND SHAREHOLDERS' EQUITY

	YEAR ENDED DECEMBER 31	
	2019	2018
Revenues	$ 1,964,983	$ 1,467,520
Cost of goods sold	1,673,078	1,255,777
Gross profit	291,905	211,743
Operating expenses	125,148	123,187
Net Income	166,757	88,556
Shareholders' Equity-Beginning	258,366	169,810
Shareholders' Equity-Ending	$ 425,123	$ 258,366

See notes to financial statements

TRI-WAY CLEANING SERVICES,INC-d/b/a HOOD GUYZ
STATEMENTS OF CASH FLOWS

	DECEMBER 31	
	2019	2018
OPERATING ACTIVITIES		
Net income	$ 166,757	$ 88,556
Depreciation	3,803	
Adjustments to reconcile net income to net cash provided (used)by operating activities:		—
Changes in assets and liabilities		
Accounts receivable	(107,966)	(5,548)
Other current assets	(1,460)	(1,079)
Accounts payable	38,000	—
	99,134	81,929
FINANCING ACTITIES		
Loan advances	38,068	—
INVESTING ACTIVITIES		
Fixed asset acquisition	(76,068)	—
Net Increase in Cash	61,134	81,929
Cash-Beginning	124,185	42,256
Cash-Ending	$ 185,319	$ 124,185

See notes to financial statements

1. THE COMPANY-The Company is a Florida corporation formed in May 2015. The Company offers franchises for the operation of a commercial kitchen exhaust system cleaning, inspection, maintenance and restoration business under the name Hood Guyz.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition - In accordance with FASB Accounting Standards Codification (ASC) 952, the Company recognizes revenue from the sale of franchise territories, net of an allowance for uncollectible accounts, when all material services or conditions relating to the initial sale have been substantially performed or satisfied. Unearned franchise fees result when all conditions of the initial sale have not been fulfilled. The associated direct costs relating to franchise sales for which revenue has not been recognized ordinarily are deferred until the related revenue is recognized.

In May 2014, the FASB issued a new accounting standard ASU No. 2014-09, *"Revenue from Contracts with Customers (Topic 606)"*, that attempts to establish a uniform basis for recording revenue to virtually all industries' financial statements. The revenue standard's core principle is to recognize revenue when promised goods or services are transferred to customers in an amount that reflects the consideration expected to be received for those goods or services. Additionally, the new guidance requires enhanced disclosure to help financial statement users better understand the nature, amount, timing and uncertainty of the revenue recorded.

The new standard will change how the Company records initial franchise fees from franchisees, area developer fees and brand development fees. Under Legacy GAAP, franchise fees, which are non-refundable, were recognized as income when substantially all services to be performed by the Company and conditions relating to the sale of the franchise were performed or satisfied, which generally occurred when the franchisee commenced operations.

The new standard requires that the franchise fee received from customers be allocated to each separate and distinct performance obligation. The transaction price attributable to each separate and distinct performance obligation would then be recognized as the performance obligations are satisfied. The portion of the franchise fee, if any, that is not attributable to a distinct performance obligation is amortized over the life of the related franchise agreement. The adoption of the new guidance will also change the reporting of advertising fund contributions from franchisees and the related advertising fund expenditures, which are not currently included in the Statements of Earnings but are reported on the Balance Sheet. The new guidance requires these advertising fund contributions and expenditures to be reported on a gross basis in the Statements of Earnings, which will impact our total revenues and expenses although we do not expect a material impact on net income. The effective date of this new standard has been postponed for one year until audits with years ending after December 15,2020.

Franchise Arrangements-The Company's franchise arrangements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales. Under this arrangement, franchisees are granted for a specified number of years.

Concentration of Credit Risk—financial instruments that potentially expose the Company to concentration of credit risk primarily consist of cash and cash equivalents. The balances in the Company's cash accounts did not exceed the Federal Deposit Insurance Company's (FDIC) insurance limit of $ 250,000. The Company maintains its cash and cash equivalents with accredited financial institutions. The Company reviews the credit history of its franchisees before extending credit. The Company establishes its allowances based upon factors including the credit risk of specific franchisees, historical trends, and other information.

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

Taxes on Income - The Company is Sub S corporation and the therefore Income from the Company passes through directly to the shareholders and is reported on their individual income tax returns. Therefore, no provision or liability for federal income tax has been included in the financial statements.

3. SUBSEQUENT EVENTS- The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required further adjustment or disclosure in the financial statements. Subsequent events have been evaluated through August 12, 2020 the date at which the financial statements were made available.

The COVID-19 outbreak, which was declared a worldwide pandemic on March 11, 2020 by the World Health Organization ("WHO"), has caused business disruption in a variety of industries, markets and geographic regions, Such business disruptions, according to some economists may be severe enough to result in a recession. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration and the severity of impact on the Company's business. While we expect this matter to impact our business, results of operations, and financial position, the related financial impact cannot be reasonably estimated at this time.

Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz

FINANCIAL STATEMENTS

Periods Ending December 31, 2018 & 2017
TOGETHER WITH
INDEPENDENT ACCOUNTANT AUDIT REPORT

TABLE OF CONTENTS

Description	Page
Independent Accountants' Audit Report	1
Balance Sheet	3
Statement of Operations	4
Statement of Shareholders' Equity	5
Statements of Cash Flows	6
Notes to Accompanied Financial Statements	7-10

Michael J Hadzipanajotis, CPA
CPA & Consulting Services

INDEPENDENT AUDIT REPORT

To the Board of Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz:

We have audited the accompanying financial statements of Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz, which comprise the balance sheets as of December 31, 2018 and December 31, 2017, and the related statements of operations, changes in members' equity and cash flows for the interim period then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the interim financial position of Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz as of December 31, 2018, and the results of its operations and its cash flows for the interim period then ended in accordance with accounting principles generally accepted in the United States of America.

Michael J Hadzipanajotis, CPA

MICHAEL J HADZIPANAJOTIS, CPA

Belmont, MA
March 24, 2019

Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz
BALANCE SHEET
DECEMBER 31, 2018 & 2017

	December 31, 2018	December 31, 2017
ASSETS		
Current Assets		
Cash & Cash Equivalents	124,185	42,257
Accounts Receivable	129,652	124,104
Other Current Assets	4,529	3,450
Total Current Assets	**258,366**	**169,811**
Property & Equipment		
Furniture & Fixtures	2,505	2,505
Accumulated Depreciation	(2,505)	(2,505)
Total Property & Equipment	**-**	**-**
Other Assets		-
TOTAL ASSETS	**$ 258,366**	**$ 169,811**
LIABILITIES & OWNERS EQUITY		
Accounts Payable	-	-
Loans From Shareholders	-	-
Other Current Liabilities	-	-
Total Liabilities	**$ -**	**$ -**
Owners Equity		
Common Stock	500	500
Retained Earnings	257,866	169,311
Total Owners Equity	**258,366**	**169,811**
TOTAL LIABILITIES & OWNERS EQUITY	**$ 258,366**	**$ 169,811**

Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz
STATEMENT OF OPERATIONS
DECEMBER 31, 2018 & 2017

	2018	2017
Revenue		
Income	1,467,520	961,838
Other Revenue		-
Total Revenue	**$ 1,467,520**	**$ 961,838**
Cost of Goods Sold	1,255,777	758,288
Gross Profit	**$ 211,743**	**$ 203,550**
Operating Expenses		
Legal & Professional	7,489	11,270
Accounting	10,555	7,800
Marketing & Advertising	39,379	45,407
Depreciation & Amortization	-	-
Bank Charges	945	1,041
Auto	12,772	-
Occupancy	6,889	-
Bad Debt	5,713	-
Travel & Entertainment	13,793	-
Commissions & Fees	9,804	-
Taxes & Licenses	2,300	150
Dues & Subscriptions	183	4,935
Interest Expense	-	-
Other Business Expenses	13,365	18,426
Total Operating Expenses	**$ 123,187**	**$ 89,029**
Net Income Before Taxes	**$ 88,556**	**$ 114,521**

Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz
STATEMENT OF EQUITY
DECEMBER 31, 2018 & 2017

	Opening Equity Balance	Yearly Changes	Total
Balance, December 31, 2017	**$ 169,811**	**$ -**	**$ 169,811**
Net Profit for the period ending December 31, 2018	-	88,556	**88,556**
Equity Contributions/ Adjustments	-	(1)	**(1)**
Balance, December 31, 2018	**$ 169,811**	**$ 88,555**	**$ 258,366**

Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz
STATEMENT OF CASH FLOW
DECEMBER 31, 2018 & 2017

	December 31, 2018	December 31, 2017
OPERATING ACTIVITIES		
Net Income	**88,556**	**114,521**
Adjustments Needed To Reconcile To Net Cash Provided By Operations:		
Current Assets	(5,548)	(124,104)
Payables/ Other Current Liabilities		-
Other	(1,079)	(3,450)
Net Cash Provided By Operations	**81,929**	**(13,033)**
INVESTING ACTIVITIES		
Depreciation	-	-
Purchase of Fixed Assets	-	-
Net Cash Used By Investing Activities	**-**	**-**
FINANCING ACTIVITIES		
Loans From Shareholders	-	(2,605)
Other Financing/ Member Withdrawals	(1)	38,203
Net Cash Provided By Financing	**(1)**	**35,598**
Net Cash Change For Period	**81,928**	**22,565**
Cash Beginning Of Period	**42,257**	**19,692**
Cash End Of Period	**124,185**	**42,257**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz is a hood exhaust system cleaning franchise, operating in the general South Florida area.

Basis of Accounting

The financial statements of the Company have been prepared on the accrual basis. As a result, the Company records revenue when earned and expenses when incurred.

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities and other items, as well as the reported revenues and expenses. Actual results could differ from those estimates.

Property and Depreciation

The Company capitalizes significant purchases of property and equipment expected to be utilized over more than one fiscal year. Purchased property and equipment are stated on the basis of cost and donated items are recorded at their current estimated fair market value at date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Intangible Assets

Intangible assets are amortized using the straight-line method over their estimated period of benefit of five to fifteen years. We evaluate the recoverability of intangible assets periodically and take into account events or circumstances that warrant revised estimates of useful lives or that indicate that impairment exists. All of our intangible assets are subject to amortization. No material impairments of intangible assets have been identified during any of the periods presented.

Goodwill

The Company evaluates the carrying value of goodwill during the fourth quarter of each year and between annual evaluations if events occur or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying amount. Such circumstances could include, but are not limited to (1) a significant adverse change in legal factors or in business climate,
(2) unanticipated competition, or (3) an adverse action or assessment by a regulator. When evaluating whether goodwill is impaired, the Company compares the fair value of the reporting unit to which the goodwill is assigned to the reporting unit's carrying amount, including goodwill. The fair value of the reporting unit is estimated using a combination of the income, or discounted cash flows, approach and the market approach, which utilizes comparable companies' data. If the carrying amount of a reporting unit exceeds its fair value, then the amount of the impairment loss must be measured. The impairment loss would be calculated by comparing the implied fair value of reporting unit goodwill to its carrying amount. In calculating the implied fair value of reporting unit goodwill, the fair value of the reporting unit is allocated to all of the other assets and liabilities of that unit based on their fair values. The excess of the fair value of a reporting unit over the amount assigned to its other assets and liabilities is the implied fair value of goodwill. An impairment loss would be recognized when the carrying amount of goodwill exceeds its implied fair value.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Company considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents at interim period end consist of the following:

Checking and money market accounts:

	December 31, 2018	December 31, 2017
Cash	$ 124,185	$ 42,257
Total	**$ 124,185**	**$ 42,257**

NOTE 3 – CONCENTRATIONS OF CREDIT AND MARKET RISK

Financial instruments that potentially expose the Company to concentrations of credit and market risk consist primarily of cash and cash equivalents. Cash and cash equivalents are maintained at financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At December 31, 2018, the Company had $0 of uninsured balances at these institutions.

NOTE 4- INCOME TAXES

As a S Corporation, the Company not responsible for any local, state, or federal income taxes. Rather, the respective owners are liable for anyincome taxes based upon net income (loss) of Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz.

NOTE 5 – FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at December 31, 2018 are as follows:

	FMV	Quoted Prices in Active markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash-2018:				
Cash	$124,185	NONE	NONE	NONE
Cash-2017:				
Cash	$42,257	NONE	NONE	NONE

NOTE 6. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 24, 2019, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.

EXHIBIT G

STATE ADDENDA TO THE DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the California Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

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

Item 3 of the Disclosure Document is amended by adding the following paragraph:

Neither we nor any person or franchise broker in Item 2 of this 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 this association or exchange.

Item 17 of the Disclosure Document is amended by adding the following paragraphs:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

Item 17.g. of the Disclosure Document is modified to state that, in addition to the grounds for immediate termination specified in Item 17.h., the franchisor can terminate upon written notice and a 60 day opportunity to cure for a breach of the Franchise Agreement.

Item 17.h. of the Disclosure Document is modified to state that the franchisor can terminate immediately for insolvency, abandonment, mutual agreement to terminate, material misrepresentation, legal violation persisting 10 days after notice, repeated breaches, judgment, criminal conviction, monies owed to the franchisor more than 5 days past due, and imminent danger to public health or safety.

The franchise agreement requires application of the laws of Florida. This provision may not be enforceable under California law.

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF

BUSINESS OVERSIGHT BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

YOU MUST SIGN A GENERAL RELEASE OF CLAIM IF YOU RENEW OR TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE §31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CODE §§31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE §20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE §§20000 THROUGH 20043).

Our website is located at www.hoodguyz.com.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

HAWAII ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Hawaii Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHSIOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the stat authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, HI 96813

ILLINOIS ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Illinois Franchise Disclosure Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.u. is modified to provide that you must arbitrate claims against us.

2. Item 17.v. is modified to provide that arbitration shall take place in the location of our corporate headquarters.

3. Item 17.w. is modified to provide that Illinois law applies.

4. Any condition, stipulation, or provision of the Franchise Agreement purporting to bind you to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.

5. The conditions under which your Franchise Agreement can be terminated and your rights upon nonrenewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act.

MARYLAND ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Maryland Franchise Registration and Disclosure Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.b. is modified to also provide, "Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Item 17.u. is modified to also provide, "A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law."

3. Item 17.v. is modified to also provide, "Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

MINNESOTA ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may <u>seek</u> injunctive relief. See Minn. Rules 2860.4400J.

Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

NEW YORK ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the New York franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. The following information is added to the cover page of the Franchise Disclosure Document:

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE SET THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**":

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**," and Item 17(w), titled "**Choice of law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the North Dakota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Restrictive Covenants: To the extent that covenants not to compete apply to periods after the term of the franchise agreement, they are generally unenforceable under North Dakota law.

Applicable Laws: North Dakota law will govern the franchise agreement.

Waiver of Trial by Jury: Any waiver of a trial by jury will not apply to North Dakota Franchises.

Waiver of Exemplary & Punitive Damages: Any waiver of punitive damages will not apply to North Dakota Franchisees.

General Release: Any requirement that the franchisee sign a general release upon renewal of the franchise agreement does not apply to franchise agreements covered under North Dakota law.

Enforcement of Agreement: Any requirement in the Franchise Agreement that requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement is void. Instead, the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

RHODE ISLAND ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Rhode Island Franchise Investment Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.m. of the Disclosure Document is revised to provide:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act prohibits a franchisee to be restricted in choice of jurisdiction or venue. To the extent any such restriction is purported to be required by us, it is void with respect to all franchisees governed under the laws of Rhode Island.

2. Item 17.w. of the Disclosure Document is revised to provide:

Rhode Island law applies.

WASHINGTON ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Washington Franchise Investment Protection Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a

franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Items 5 and 7 of the Disclosure Document are amended to also state that collection of the initial franchise fee will be deferred until the franchisor has fulfilled its initial pre-opening obligations and the franchisee is open for business.

WISCONSIN ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Wisconsin Fair Dealership Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17 is modified to also provide,

If the franchise agreement contains any provisions that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.

With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

EXHIBIT H

GENERAL RELEASE FORM

THIS RELEASE is made and given by _____, ("Releasor") with reference to the following facts:

1. Releasor and Tri-Way Cleaning Services, Inc. d/b/a Hood Guyz (Releasee) are parties to one or more franchise agreements.

2. The following consideration is given:

   _____ the execution by Releasor of a successor Franchise Agreement or other renewal documents renewing the franchise (the "Franchise"); or

   _____ Releasor's consent to Releasee's transfer of its rights and duties under the Franchise Agreement; or

   _____ Releasor's consent to Releasee's assumption of rights and duties under the Franchise Agreement; or

   _____ [insert description]

3. Release- Franchisee and all of Franchisee's guarantors, members, employees, agents, successors, assigns and affiliates fully and finally release and forever discharge Releasee, its past and present agents, employees, officers, directors, members, Franchisees, successors, assigns and affiliates (collectively "Released Parties") from any and all claims, actions, causes of action, contractual rights, demands, damages, costs, loss of services, expenses and compensation which Franchisee could assert against Released Parties or any of them up through and including the date of this Release.

4. THIS IS A SPECIFIC RELEASE GIVING UP ALL RIGHTS WITH RESPECT TO THE TRANSACTIONS OR OCCURRENCES THAT ARE BEING RELEASED UNDER THIS AGREEMENT.

5. California Releasor- You represent and warrant that YOU EXPRESSLY WAIVE ANY AND ALL RIGHTS AND BENEFITS UNDER CALIFORNIA CIVIL CODE §1542, which provides as follows:

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

6. The above Release shall not apply to any liabilities arising under the California Franchise Investment Law, the California Franchise Relations Act, Indiana Code § 23-2-2.5.1 through 23-2-2.7-7, the Maryland Franchise Registration and Disclosure Law, Michigan Franchise Investment Law, Minnesota Franchise Act, North Dakota franchise laws, the Rhode Island Investment Act, and the Washington Franchise Investment Protection Act.

7. Releasor agrees to comply with all of its applicable post-termination or post-transfer obligations (as the case may be) in any Hood Guyz® Franchise Agreement signed by releasor.

Franchisee:

By:_____

Printed Name:_____

Title:_____

Tri-Way Cleaning Services, Inc.

By:_____
Vincent Garcia, President

Date:_____

EXHIBIT I
STATE EFFECTIVE DATES

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

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

State	Effective Date
California	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	November 27, 2019
Minnesota	Pending
New York	Pending
Rhode Island	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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

EXHIBIT J

(Your Copy)

Receipt

This disclosure document summarizes provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Tri-Way Cleaning Services, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before your sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 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.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Tri-Way Cleaning Services, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on *Exhibit A*.

The franchisor is Tri-Way Cleaning Services, Inc., located at 1020 E. Prospect Road, Oakland Park, FL 33334. Its phone number is (786) 256-1053.

Issuance date: August 18, 2020.

Our franchise seller is: Vincent Garcia, 1020 E. Prospect Road, Oakland Park, FL 33334, (786) 256-1053, and the following broker:

Name: Bret James Business phone: (786) 256-1053

Business address: 1020 E. Prospect Road, Oakland Park, FL 33334

We authorize the respective state agencies identified in Exhibit A to receive service of process for us in the particular state.

I have received a Hood Guyz® Franchise Disclosure Document dated August 18, 2020. This disclosure document included the following Exhibits:

A List of Administrators and Agents for Service of Process
B Franchise Agreement and Exhibits
  Schedule 1- Guaranty
  Schedule 2- State Addenda to Franchise Agreement
C Operations Manual Table of Contents
D List of Franchisees

E Franchisees Who Had an Outlet Terminated, Transferred, Etc.
F Financial Statements
G State Addenda to Disclosure Document
H General Release Form
I State Effective Dates
J Receipts

Date_____ Prospective Franchisee_____
(do not leave blank)

Please sign, date, and retain this copy for your records.

EXHIBIT J

(Our Copy)

Receipt

This disclosure document summarizes provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Tri-Way Cleaning Services, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before your sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Tri-Way Cleaning Services, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on *Exhibit A*.

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F Financial Statements
G State Addenda to Disclosure Document
H General Release Form
I State Effective Dates
J Receipts

Date_____ Prospective Franchisee_____
(do not leave blank)

Please sign, date, and return this copy to Tri-Way Cleaning Services, Inc., 1020 E. Prospect Road, Oakland Park, FL 33334.