FRANCHISE DISCLOSURE DOCUMENT

~~**iNX BUILDING MAINTENANCE SOLUTIONS, INC.**~~
~~a California corporation~~
~~11150 West Olympic Blvd., Suite 1050 PMB 1067~~
~~Los Angeles, CA 90064~~
~~Telephone (888) 832-6469~~
~~http://www.teaminx.com~~
~~franchiseinfo@teaminx.com~~

iNX BUILDING MAINTENANCE SOLUTIONS, INC.
a California corporation
1001 Wilshire Blvd. #1430
Los Angeles, CA 90017
Telephone (888) 832-6469
http://www.teaminx.com
franchiseinfo@teaminx.com

The ~~Franchised Business is the operation of a janitorial and building~~franchised business is an iNX®-branded business providing commercial facility maintenance ~~service~~services.

The total investment necessary to begin operation of an iNX® franchise ranges from $~~31,615 - $153,295~~91,245 to $323,685. This includes an Initial Franchise Fee of $~~4,995~~9,995 and a Territory Fee that ranges between $~~1,720 to $100,450~~56,350 and $266,900, which you must pay to us before the Business Start Date~~, which is~~ (the date ~~when your General Manager and Operations Manager complete the initial training program~~on which you have met all of the requirements to open the Franchised Business). The Territory Fee depends on the size of your Territory and is equal to the product of $~~0.22~~0.16 times the ~~number of businesses~~estimated population count in your Territory.~~ The high estimate also includes an Interview and Testing Service Fee of $1,020, which is payable to us before the Business Start Date.~~

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 payments 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.**

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, such as 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 may contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You may also visit the FTC's home page at http://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: April 5, 2024, amended on October 15, 2024.

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 G and H.
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 ~~D~~J 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 iNX franchise in my area?	Item 12 and the "territory" provisions in the ~~Franchise Agreement~~franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be an iNX franchisee?	Item 20 or Exhibits G and H list 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~~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~~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~~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~~franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your ~~Franchise Agreement~~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~~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~~franchise agreement. If so, you should check the State Specific Addenda~~, **Exhibit J**~~. 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~~franchise agreement requires you to resolve disputes with the franchisor by mediation~~, arbitration~~ and/or litigation only in ~~California~~Oregon. 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 ~~California~~Oregon than in your own state.

2. **Personal ~~Guarantees~~. ~~All persons who own~~Guaranty/Spousal Consent.** Each person who owns 20% or more of the equity in the franchisee ~~business~~ entity must execute a personal guaranty of the franchisee's obligations under the franchise agreement, and their ~~spouses~~spouse (if applicable) must ~~execute personal guarantees~~sign a spousal consent agreeing that the guaranty will be binding on marital assets. This requirement places the personal and marital assets of the franchise owner(s) at risk.

3. **No Right to Reject Customer.** The size, number, and location of ~~Accounts~~customer accounts offered to you are solely within the franchisor's discretion. If you reject an ~~Account~~account that the franchisor offers you, the franchisor ~~is under~~has no obligation to replace that ~~Account~~account.

4. **Loss of Customer.** If you lose a customer account for any reason, the franchisor is not obligated to replace it.

5. **Accounts.** The franchisor has no contractual obligation to recruit customer accounts for your ~~Franchised Business~~franchised business.

6. **Billing for Customers.** The franchisor performs billing and collection for all services that you provide to your customers, regardless of whether you ~~obtain~~or the ~~customer or the~~ franchisor recruits ~~and provides~~ that customer ~~to you~~. If customer accounts that you service do not pay, you suffer the loss of nonpayment. If the franchisor takes action to collect payments, the franchisor does so solely at your expense. However, your share of the franchisor's collection costs will never exceed ~~85% of~~ your share of the revenue owed ~~to the franchisor~~, even if the franchisor collects less.

7. **Pricing of Customer Accounts.** The franchisor determines the amount to be charged for your services by bidding on customer accounts. You have no say in that determination. You have a limited right to decline a proposed customer account. However, if you agree to service a customer account and the franchisor prices a customer account too low, even by mistake, you still must service the customer under the price the franchisor negotiates, even if you will lose money doing so.

8. **Location of Customers.** Generally, all job sites that you service will be in your Territory. Depending on the size of your Territory, you may have to service multiple customers that may be located far apart ~~from each other~~. You may lose ~~any~~ Accounts that you cannot properly service, and the franchisor is under no obligation to replace them.

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.

SPECIAL MICHIGAN NOTICE

The following provisions apply only to transactions governed by the Michigan Franchise Investment Law ("MFIL"). The State of Michigan requires each franchisor to include the following notice in franchise disclosure documents in connection with Michigan franchise sales.

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:

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

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

(3) A provision that permits a franchisor to terminate a franchise before the expiration of its term except for good cause. Good cause will 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 of it and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

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

(5) 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.

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

(7) 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 will include, but is not limited to:

a. The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

b. The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

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

d. 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.

(8) 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~~franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Office of the Attorney General, Consumer Protection Division, Attn: Franchise Section, G. Mennen Williams Building, 525 W. Ottawa Street, Sixth Floor, Lansing, Michigan 48933, telephone (517) 373-7117.

TABLE OF CONTENTS

ITEM	PAGE
ITEM 1 THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
ITEM 2 BUSINESS EXPERIENCE	~~8~~7
ITEM 3 LITIGATION	~~9~~8
ITEM 4 BANKRUPTCY	~~10~~8
ITEM 5 INITIAL FEES	~~10~~8
ITEM 6 OTHER FEES	~~11~~9
ITEM 7 ESTIMATED INITIAL INVESTMENT	~~21~~16
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	~~24~~19
ITEM 9 FRANCHISEE'S OBLIGATIONS	~~28~~22
ITEM 10 FINANCING	~~29~~23
ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	~~31~~25
ITEM 12 TERRITORY	~~40~~34
ITEM 13 TRADEMARKS	~~43~~37
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	~~45~~38
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS	~~46~~39
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	~~48~~40
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	~~49~~41
ITEM 18 PUBLIC FIGURES	~~51~~43
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS	~~51~~43
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION	~~53~~45
ITEM 21 FINANCIAL STATEMENTS	~~55~~47
ITEM 22 CONTRACTS	~~55~~48
ITEM 23 RECEIPTS	~~56~~48

~~FDD~~ EXHIBITS~~:~~

Exhibit A~~:~~ State Administrators
Exhibit B~~:~~ Agents for Service of Process
Exhibit C~~:~~ Franchise Agreement
Schedule 1 ~~Personal Guaranty~~
~~Schedule 2~~ Franchise Information & Addresses for Notice
Schedule 2 Franchisee's Owners as of the Effective Date
Schedule 3 ~~Spousal Consent~~
~~Schedule 4 List of Primary Owners~~
~~Schedule 5 Defined Terms~~Personal Guaranty
Schedule ~~6 Description of Territory and Business Population; Street Address of Franchise Office~~4 Spousal Consent
Schedule ~~7~~ 5 Confidentiality and Non-Competition Agreement
Schedule 6 Collateral Assignment ~~of Telephone Numbers, Email Addresses; URLs~~
Schedule ~~8~~7 Renewal Addendum
Schedule ~~9~~8 Intellectual Property Rights - Terms of Use
~~Schedule 10 Confidentiality and Non-Competition Agreement~~
~~D: Financial Statements~~

Exhibit D State-Required Addenda
Exhibit E~~:~~ Promissory Note
Exhibit F~~: Mutual~~ General Release
Exhibit G~~:~~ Current Franchisees
Exhibit H~~:~~ Former Franchisees ~~and Event of Transferred Franchises~~
Exhibit I~~:~~ Manual Table of Contents ~~for Brand Standards Manual~~
Exhibit J Financial Statements
~~J:~~ State ~~Addenda~~Effective Dates
~~K: [Intentionally Omitted]~~
~~L 1:~~
Acknowledgment of Receipt ~~(your copy)~~of FDD
~~L 2: Receipt (our copy)~~

iNX® FRANCHISE DISCLOSURE DOCUMENT

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

A. Terminology

In this ~~Franchise~~ Disclosure Document, "iNX," "we," "us" and "our" each refers to iNX Building Maintenance Solutions, Inc., a California corporation. "You" means the business entity (for example, corporation, partnership or limited liability company) that buys the franchise and executes a Franchise Agreement with us~~, which may be a corporation, partnership or limited liability company~~. "You" also includes the owners of the franchisee business entity.

Throughout this ~~Franchise~~ Disclosure Document, we capitalize terms and assign them special definitions. The definitions appear in the sentence in which we first use the term. Many of ~~these~~the definitions also appear in alphabetical order ~~in~~at the beginning of the Franchise Agreement~~, which is~~ (**Exhibit C** to this Disclosure Document).

B. The Company, Our Parents, Predecessor and Affiliates

We were incorporated in California on July 15, 2002, under the name "INEX Corporation." On March 20, 2003, we changed our name to "iNX Building Maintenance Solutions, Inc." We conduct business under the trade name "iNX Building Maintenance Solutions." We have no predecessor or parent company. We have no affiliate that offers franchises in any line of business or provides products or services to our franchisees.

Our principal business address is ~~11150 West Olympic~~1001 Wilshire Blvd~~.~~, ~~Suite 1050 PMB 1067~~#1430, Los Angeles, California ~~90064~~90017. **Exhibit B** to this Disclosure Document lists state officials that serve as our agents for service of process if we do business in those states.

C. Our Prior Experience

We have been offering ~~janitorial and building~~commercial facility maintenance ~~solution~~service franchises since May 2003. We have never offered any other type of franchise business. We conduct no other business activities and do not operate a business of the type being franchised.

D. The Franchises that We Offer

We award franchises permitting you to own and operate a ~~commercial janitorial service~~ business ("**Franchised Business**") providing ~~janitorial and building~~commercial facility maintenance services to business customers ~~that own~~with properties in your ~~assigned~~Territory. Before you sign the Franchise Agreement, we will mutually designate as your "**Territory**~~.~~" a geographic area that includes a population of at least 7,500 businesses according to the most recent data on commercial building counts published by Co-Star or such other source as we may designate. In most cases, we delineate your Territory by reference to a group of contiguous U.S. Postal ZIP Code Sectional Areas that includes at least the minimum business population. See Item 12 for additional disclosures regarding your Territory.

We ~~collectively~~ refer to the permissible services that you may or must perform collectively as "**Authorized Services**~~" and describe Authorized Services in greater detail in our "Brand Standards Manual," to which you will receive access when you sign the Franchise Agreement attached as Exhibit~~

~~I.~~." Authorized Services ~~including~~include commercial cleaning~~, janitorial~~ services and other specified facility maintenance services for all types of properties excluding occupied personal residences. ~~For example, besides~~This includes commercial properties (for example, retail stores, shopping centers and strip malls, medical and educational buildings, hospitals, hotels, and offices), government-owned properties, and various types of industrial properties (manufacturing and warehouse facilities), ~~Authorized Services include cleaning and maintenance of the~~as well as common area space in residential communities ~~like~~(for example, high -rise apartment ~~communities~~buildings and homeowner association communities) and unoccupied residential units (after a tenant moves out and before a new tenant moves in). In the future, we may include as Authorized Services additional commercial facility maintenance programs and services (for example, building maintenance, security, and landscaping services). You may be required to offer such additional services, and may need to purchase additional equipment and/or hire additional personnel with experience in those areas if your existing management does not have the required expertise. We describe Authorized Services in greater detail in our Brand Standards Manual ("**Manual**"), to which you will receive access when you sign the Franchise Agreement (**Exhibit C**).

You must perform Authorized Services according to the "**iNX System**," which broadly describes the business and operating methods, technical knowledge, standards of performance, training programs and marketing strategies that we deliver or license to you under the Franchise Agreement and the right to use the iNX names, logos and trademarks (collectively, the "**Licensed Marks**").

As a "**Network Member**~~,~~" (a term that refers ~~collectively~~ to ~~all~~each iNX ~~franchisees~~franchisee and affiliate that operates an iNX business), we will provide you with your own credentials to our "**Network Portal**," which is non-public electronic communications channel that we control to which we limit access rights to Network Members. We post an electronic version of the ~~Brand Standards~~ Manual, marketing materials and other information about mandatory and optional standards, specifications, methods, and procedures that comprise the iNX System on the Network Portal and also use it as a communications channel to facilitate communication with individual or groups of Network Members.

~~You must perform Authorized Services according to the "**iNX System,**" which broadly describes the business and operating methods, technical knowledge, standards of performance, training programs and marketing strategies that we deliver or license to you under the Franchise Agreement and the right to use the iNX names, logos and trademarks (collectively, the "**Licensed Marks**"). In this Disclosure Document, we refer to the business that you operate using the iNX System as the "**Franchised Business.**"~~

~~Before you sign the Franchise Agreement, we will mutually designate a geographic area, which we refer to as your "**Territory**," that includes a population of at least 7,500 businesses according to the most recent U.S. census data published by the North American Industry Classification System (NAICS). In most cases, we delineate your Territory by reference to a group of contiguous U.S. Postal ZIP Code Sectional Areas that includes at least the minimum business population. See Item 12 for additional disclosures regarding your Territory.~~

We are responsible for marketing Authorized Services and recruiting new ~~business~~commercial facility maintenance service customers with locations in your Territory (~~which~~ we refer to ~~interchangeably as "~~such customers~~" or~~ as "**Accounts**"). However, you play an ~~integral~~important role in the sales process. You are responsible for (i) meeting with each prospective lead that we develop at the prospective Account's place of business ("**First Time Consult**" or "**FTC**"); (ii) inspecting the prospective Account's physical place of business to evaluate the suitability of the job opportunity based on the ~~contemplated "**Scope of Work**" that they indicate to us that they wish to have performed, the~~services, equipment, processes, frequency of service, scheduling requirements, restrictions, and other service conditions ~~that they have described to us,~~for the Authorized Services (collectively, "**Scope of**

Work") requested by the prospective Account and the contemplated financial terms of the arrangement to the extent they are known at that time; and (iii) ~~preparing a report that we refer~~completing and delivering to ~~as~~us a ~~"~~written First Time Consult~~"~~ report with your ~~recommendation~~conclusion as to whether ~~you believe~~ the prospective Account would be a good fit for your Franchised Business.

You must ~~complete and~~ deliver ~~to us a written First Time Consult~~the FTC report for each prospective Account in your Territory immediately (and in all cases, within 24 hours) after you complete the First Time Consult interview ~~and, in all cases, within 24 hours following receipt of our notice identifying that prospect~~. We ask you to evaluate the proposed Scope of Work (including whether it includes services beyond what we identify in the Manual as Authorized Services), the proposed financial terms if identified, and the non-financial terms of ~~a job~~the opportunity (including your observations of the physical condition of the prospective customer's job site, the prospective customer's adherence to customarily observed safety protocols~~, and whether the prospective customer's desired Scope of Work includes services that go beyond what we identify in the Brand Standards Manual as Authorized Services~~).

We, alone, make the final decision on a prospective customer's suitability, taking into account the input that you provide to us in the ~~First Time Consult~~FTC report that you deliver to us and our own evaluation of the prospect's business reputation and financial condition.

- If your ~~First Time Consult~~FTC report concludes that you do not believe the prospect is a good fit, we will not proceed further with the prospect. Your rejection of more than 10% of the prospective Accounts that we present to you in any 13-week period is grounds permitting us to terminate the Franchise Agreement.

- If your ~~First Time Consult~~FTC report express interest in accepting the job opportunity, we, alone, will negotiate the terms of the contract with the prospective Account~~, which we refer to as the~~ ("**Account Contract**")~~."~~

Before we offer a proposed Account a proposed Account Contract, we work with you to summarize our mutual understanding regarding the Scope of Work and other material terms of the job proposal in an "**Account Acceptance Agreement**" or "**AAA**." The AAA serves as the written contract between you and us that memorializes your agreement to perform the Scope of Work in ~~the~~a specific Account Contract ~~if~~that we enter into with an Account. Each AAA will specify the Scope of Work~~ and other material terms in~~, the aggregate monthly amount for which we will invoice the Account ~~Contract that the Account ultimately signs are substantively identical to the AAA. In addition to specifying a particular Scope of Work, the AAA will identify special service requirements, price~~for the Scope of Work ("**Account Volume**"), and the payment terms for the Business Generation Fee (as described in Item 6). Your execution of the AAA signifies your agreement to ~~all material terms including a commitment that the Scope of Work~~ensure that you and your employees will perform the Scope of Work at the Account's place of business ~~is completed~~ in a manner that satisfies our obligations under the Account Contract and adheres to the ~~quality~~brand standards ~~that we set for all Network Members and on which we stake the reputation~~ of the ~~Licensed Marks~~iNX System. You and we will sign a separate AAA for each Account that you indicate is a good fit, using our then~~-~~current form of AAA in the ~~Brand Standards~~ Manual. However, ~~it~~the AAA will not become effective unless and until the corresponding Account Contract becomes effective.

Once you sign an AAA for a particular Account, we will present the prospective Account with an Account Contract on the same substantive terms and conditions as the AAA between you and us. ~~.~~ If the prospective Account executes the Account Contract ~~on the same substantive terms and conditions as the AAA between you and us~~without changes, the AAA that you have previously signed will, at that time,

become a binding agreement. We will notify you as soon as each Account Contract becomes effective so that you can add the Account to your Franchised Business' work schedule and prepare to begin work at the Account's business premises. Failure to perform the Scope of Work specified in an AAA is a material event of default under the Franchise Agreement.

Under the terms of the AAA that you sign, you agree that we and an Account may modify the Account Contract at any time and for any reason (including changes to service requirements, price, or payment terms). We will notify you about all changes reasonably promptly so that you may adjust your work schedules and business plans. You agree that all changes that we and the Account may make to an Account Contract that are not Material Scope of Work Changes will automatically become part of the AAA following written notice from us (which may be by email) describing the change.

The Franchise Agreement defines "**Material Scope of Work Changes**" to mean changes to the Scope of Work under an existing or proposed Account Contract that, either alone or together with all prior Scope of Work changes within the last 90 days, would either increase or decrease, by 10% or more, the price that the Account will pay under the Account Contract.

~~• We will notify you if~~If the prospective Account proposes "Material Scope of Work Changes" to the Account Contract ~~as a condition to executing the proposed Account Contract. The Franchise Agreement defines "Material Scope of Work Changes" to mean Scope of Work changes that are proposed to be made to a proposed Account Contract that either alone or together with all prior Scope of Work changes within the last 90 days would either:~~

~~o (i) decrease by 10% or more the price that the Account will pay for the Scope of Work when compared to the price proposed in an AAA; or~~

~~o (ii) increase by 10% or more the amount of time that you estimate it will take to complete the Scope of Work when compared to a proposed Scope of Work in an AAA.~~

~~• If the prospective Account proposes Material Scope of Work Changes as a condition to executing an Account Contract~~, we will present you with an amendment to the AAA incorporating the same substantive Material Scope of Work Changes and give you the opportunity to agree to the ~~Material Scope of Work Changes~~amendment. Your failure to notify us in writing within 4 hours after receiving the proposed amendment~~, shall~~ of your objection to the changes will signify your agreement to the Material Scope of Work Changes, in which case you will be deemed to agree to amend the AAA for the Account. For the sake of customer satisfaction and retention it is essential that you respond promptly to proposed changes. We believe 4 hours is a reasonable time period in which to respond.

~~• The effective date of each AAA is the same effective date as the corresponding Account Contract. We will notify you as soon as each Account Contract becomes effective so that you can add the Account to your Franchised Business' work schedule and prepare to begin work at the Account's business premises.~~

~~We follow a similar process for Material Scope of Work Changes that an Account wishes to make to an existing Account Contract. Under the terms of the AAA that you sign, you agree that, once an Account Contract becomes effective, we and an Account Contract may modify the Account Contract at any time and for any reason. For example, we and the Account may agree to changes to the original Scope of Work that result in changes to service requirements, price, or payment terms. We will notify you about all Material Scope of Work Changes reasonably promptly so that you may adjust your work schedules and business plans.~~

- ~~You agree that all changes that we and the Account may make to an Account Contract that are not Material Scope of Work Changes will automatically become part of the AAA following written notice from us describing the change.~~

- ~~For Material Scope of Work Changes, we will present you with an amendment to the AAA and give you the opportunity to agree to the material changes. Your failure to notify us in writing within 4 hours after receiving the AAA amendment that you will not sign the amendment, shall signify that you agree to it, in which case you will be deemed to agree to amend the AAA for the Account.~~

Occasionally, ~~a Material Scope of Work Change may involve what we refer to as a "Special Project," which describes any type of~~an Account may request a non-recurring Scope of Work ~~that an Account asks us to perform that falls within the scope of Authorized Services, and which we agree to perform, on the terms of~~("**Non-Recurring Services**"). Non-Recurring Services are performed under a ~~proposed~~ Non-Recurring Service Agreement~~. We solicit your agreement to perform a Special Project in the same way that we solicit your agreement to perform a Material Scope of Work Change to~~ between us and the Account. If an ~~existing~~ Account ~~Agreement. We~~requests Non-Recurring Services, we will present you with a proposed sales order for the Non-~~-~~Recurring ~~Service Agreement that identifies the Special Project~~Services. Your failure to notify us of your objections within 4 hours after receiving the ~~proposed Non-Recurring Service Agreement of your objections~~sales order shall signify ~~that you agree~~your agreement to perform the ~~Special Project on the terms of the Non-Recurring Service Agreement, in which case you will be deemed to agree to amend the AAA for the Account to incorporate the Non-Recurring Service Agreement~~Non-Recurring Services for the price and other material terms in the sales order.

~~For the sake of customer satisfaction and retention it is essential that you respond promptly to proposed Material Scope of Work Changes. We believe 4 hours is a reasonable time period in which to respond.~~

Under the AAA, you agree to allow us exclusively to handle all customer billing and collection even if you originate the Account relationship. ~~•~~ We typically bill Accounts monthly in advance for recurring services ~~on a monthly basis~~. ~~•~~ We typically bill Accounts in arrears following completion of service or shipment of supplies for non-recurring services and supplies.

~~•~~ Within 5 days after the end of each accounting month, we will send you a "**Franchise ~~Income~~Revenue Statement ~~Detail~~**" for each AAA then in effect that identifies (i) the specific services that the Franchised Business performed for an Account during the prior month according to the information that you have entered into our designated ~~cloud-based~~ enterprise resource ~~application ("**ERP**"), which we describe~~applications (described in Items 6 and 11); (ii) the amount that we have invoiced the Account for your services; and (iii) the calculation of how much we will pay you for the services that you performed to the Account for the accounting month according to the net difference between the AAA price and the fees, advances and other payments payable to us that we describe in Item 6.

- We remit payment to you of the amount shown in the Franchise ~~Income~~Revenue Statement ~~Detail~~ by no later than 45 days after the end of each accounting month.

- Unless you notify us of ~~an~~any error in the Franchise ~~Income~~Revenue Statement ~~Detail within 5 days after~~by the 15th day of the month in which you receive it, you are deemed to approve all information in the Franchise ~~Income~~Revenue Statement ~~Detail~~.

We refer to the amount that we bill Accounts for the Scope of Work in ~~an~~the Account Contract as "**Billed Revenue**~~.~~" and the amount of the payments that we receive from Accounts as "**Collected Revenue**." Item 6 further explains ~~that we calculate certain fees that you must pay to us as a percentage of Billed Revenue. We refer to the payment that we receive from Accounts as "**Collected Revenue**." We explain the difference~~"**Billed Revenue**" and "**Collected Revenue**" and discloses certain fees that you must pay to us as a percentage of Billed Revenue. We do not guarantee that an Account will pay the full Billed Revenue, but will credit you for 100% of the Billed Revenue for the Account (less the fees, advances and other payments that we describe in Item 6), subject to adjustments under the reconciliation procedure described below.

If there is a discrepancy between ~~"~~Billed Revenue~~"~~ and ~~"~~Collected Revenue~~" in Item 6.~~

~~Approximately~~ with respect to any Account, approximately 90 days from the date appearing on ~~the~~our monthly invoice ~~that we send~~ to ~~each~~the Account, we will prepare and send you a reconciliation statement ~~for the accounting month that shows the actual~~to "true up" Billed Revenue and Collected Revenue ~~received from the Account at that time and any adjustments to the prior Franchise Income~~("**Reconciliation Statement** ~~Detail~~").

- ~~If the reconciliation statement~~When a Reconciliation Statement shows that Collected Revenue for ~~the~~an accounting month is less than Billed Revenue for that ~~accounting~~ month, the ~~reconciliation statement~~Reconciliation Statement will provide a calculation of your corrected net payment for the accounting month, including a breakdown of (i) the excess Billed Revenue that we have overpaid to you, which we may deduct ~~from~~on your ~~Collected~~next Franchise Revenue Statement; and (ii) the credit due to you for the extra Service Fees and ~~Special Project~~Non-Recurring Service Fees that you previously paid to us on the Billed Revenue~~,~~ (which we will apply as a credit to reduce the excess Billed Revenue). You must repay us the amount by which (i) exceeds (ii), either (x) within 5 days after you receive the Reconciliation Statement; or (y) by deduction on your next Franchise Revenue Statement.

- We may, in our discretion, allow you to repay us some or all of the excess Billed Revenue (less any credit) in up to 12 equal monthly installments with 10% annual interest by signing a promissory note in the form of **Exhibit E**. ~~•~~ If an Account later pays us the additional amount that it owes, we will credit ~~this to~~the payment we receive (net of any fees for collections) to the then-outstanding balance under the promissory note, but will not refund any interest that you have already paid to us ~~under this installment arrangement~~. If the later payment satisfies the balance due under the promissory note, will credit any excess on your next Franchise Revenue Statement.

- We extend different payment terms to Accounts for various reasons, but in most cases we know ~~after~~within 60 days from the invoice date ~~if~~whether we anticipate a payment problem ~~where Collected Revenue for the accounting month will be less than Billed Revenue for that accounting month. Although we retain the sole right to make~~with an Account.

We may in our discretion consult with you to obtain your input on any billing and collections matters affecting the Accounts you service. However, under the terms of each AAA, you agree that we alone exclusively control all Account billing and collection decisions, ~~we will confer~~even for Accounts with respect to which you ~~for input on how to approach the Account regarding the reason for paying us less than the full amount~~generated the original lead. Since our fees and repayment of advances to you depend on an Account's timely payment, we share your interest in receiving timely payment of the full

amount of Billed Revenue from Accounts. We may deduct our reasonable collection costs from Collected Revenue. Your share of our reasonable collection expenses will not exceed your share of the Billed Revenue ~~due~~.

We do not ~~guaranty~~guarantee that, during ~~each accounting month or~~ any ~~other~~ period during the term of the Franchise Agreement: (i) we will offer you a minimum number of AAAs or prospective Accounts; (ii) each AAA that we offer you will provide for a minimum amount of Billed Revenue for the Scope of Work described in the AAA; or (iii) you will receive a minimum amount of Collected Revenue.

~~Each AAA that you sign will specify its effective date, Account Volume, fulfillment period, terms of financing and Scope of Work. The "**Account Volume**" refers to the aggregate monthly Billed Revenue for which we will invoice an Account and that you can earn under the terms of an AAA by performing the Scope of Work specified in the AAA. Failure to perform the Scope of Work in an AAA is a material event of default under the Franchise Agreement. We do not guaranty that an Account will pay the full Billed Revenue, but commit to credit you for 100% of the Collected Revenue that we receive for the Scope of Work that you and your employees perform less the fees, advances and other payments that we describe in Item 6.~~

~~We retain sole discretion over whether to initiate a collection action against a delinquent Account or terminate the Account Contract for nonpayment. We may deduct our reasonable collection costs from Collected Revenue. Your share of our reasonable collection expenses will not exceed 85% of the Billed Revenue. Since our fees and repayment of advances to you depend on an Account's timely payment, we share your interest in receiving timely payment of the full amount of Billed Revenue from Accounts.~~

As we explain in Item 12, during the term of your Franchise Agreement, we agree not to perform Authorized Services or appoint another Network Member to perform Authorized Services in your Territory subject to certain retained rights, which we describe in Item 12.

We do not forbid you from engaging in lead generation activities to identify and recruit new Accounts, subject to the following conditions: (i) if we identify a preferred lead generation service provider, you must engage our designated service provider and pay any related fees; (ii) you must refer all leads to our Sales department, which will contact the lead, conduct discovery on the Account, and set the First Time Consult appointment for you; (iii) the only services that you may ~~only~~ offer to ~~perform~~prospective Accounts are services ~~for or sell products to an Account that fall~~then within the scope of Authorized Services; ~~and (ii~~(iv) you must ~~turn the lead over to us so that we can approve the prospective Account's financial health and other suitability factors and, if we find the prospect meets our eligibility conditions, discuss an~~complete a First Time Consult and submit an FTC report identifying the proposed Scope of Work and providing your assessment of the Account ~~Contract with~~; (v) you must inform the prospective Account~~. If we can reach a preliminary agreement with your candidate,~~ that you lack authority to enter into a contract with them and that they will be required to enter into an Account Contract with us to receive services; and (vi) you agree that we, alone, have the sole right to decide if we will offer ~~you an AAA for~~ the prospective Account an Account Contract based on our own evaluation of the prospective Account's business reputation and financial condition after taking into consideration your First Time Consult report. You have no right to solicit prospective Accounts that we identify as an Enterprise Account or that ask you to perform Authorized Services outside of your Territory.

If your efforts are primarily responsible for introducing us to a prospective Account with which we have no prior relationship and the prospect signs an Account Contract with us (and you sign a corresponding AAA), we will discount the Business Generation Fee payable for the new Account by 10% to reflect your efforts in making the introduction. If your efforts are more significant in helping us

develop a new Account ~~Contract~~, we will discount the Business Generation Fee payable ~~for~~under the corresponding AAA by 50%. We alone decide if your involvement in helping us procure a new Account Contract merits the 10% or 50% discount.

We retain the exclusive right to sell cleaning supplies to Accounts in your Territory that purchase and take delivery of supplies at a location in your Territory, whether the supplies bear the iNX brand or a third -party brand. ~~However, each month, we will credit you for 5% of the aggregate net revenue that we actually collect during the accounting month from the sale of supplies to Accounts in your Territory ("**Net Revenue From Supply Sales**"). We calculate your share of the Net Revenue From Supply Sales as the difference between all payments received during the accounting month from Accounts that take delivery of supplies at a location in your Territory less (i) sales taxes and other taxes separately stated that we collect from Accounts on supply sales and pay to taxing authorities; (ii) refunds and credits made in good faith and at arms' length to Accounts in your Territory for supplies; and (iii) the amount of any charge backs or reversals of supply sales transactions with Accounts. The Franchise Income Statement Detail that we send to you for the accounting month will show you your share of Net Revenue From Supply Sales for the accounting month and the application of any credit towards the fees and advances that you owe to us for the month.~~

E. ~~General~~ Market for Your Products and Services and ~~General~~ Description of Your Competition

The market for ~~janitorial~~commercial facility maintenance services consists of business customers of all sizes. Your principal competitors will be local, regional and national ~~janitorial and building~~commercial facility maintenance service providers including American Building Maintenance and companies that operate franchise programs like Jani-King and Coverall.

F. Law and Regulations

You must comply with all federal, state, and local laws and regulations that apply, directly or indirectly, to your Franchised Business, including Occupational Safety and Health Administration ("OSHA") regulations. You must strictly follow all laws and regulations relating to employment laws, unemployment insurance, workers' compensation insurance, and withholding and payment of payroll taxes. You must keep current all licenses, permits, bonds, and deposits required by any government agency in the operation of your Franchised Business.

Some states have specific laws that regulate businesses that employ janitors. For example, ~~the~~ California's Property Service Workers Protection ~~law (effective July 1, 2018)~~Act regulates employers of janitors. It applies to every employer with at least one "covered worker," broadly defined as an employee, independent contractor or franchisee who enters into a contract, subcontract, or Franchise Agreement to provide janitorial services. Employers must register annually with the California Department of Labor Standards Enforcement, and maintain accurate records of specific information regarding covered workers for 3 years. The law also mandates that all employers and janitorial workers complete in-person sexual violence and harassment prevention training at least once every other year. The ~~California~~ law forbids an employer from registering or renewing its registration if it has not fully satisfied a final judgment for unpaid wages or made appropriate tax contributions. It also imposes liability on "successor employers" for any back wages and penalties owed to the predecessor employer's employees. A different California law, the Displaced Janitor Opportunity Act, requires certain successor contractors that are awarded janitorial or building maintenance contracts to hire the previous contractor's employees for a certain amount of time, with limited exceptions. You are solely responsible for investigating any laws in your Territory that specifically regulate janitorial businesses and for complying with these laws.

California law also regulates sanitization and disinfecting services under its Pest Control Board. You may be required, in order to provide some types of cleaning services to your customers, to obtain a state Qualified Applicator License and a state pest control business license and to register with county authorities in the counties included in your Territory. More information about this is available at https://www.cdpr.ca.gov/.

We are not aware of any other laws or regulations specifically applicable to businesses offering basic ~~janitorial~~commercial facility maintenance services. However, if the Scope of Work that you agree to perform includes certain building or grounds maintenance services, it is possible that you will need a contractor's license. If so, you will be subject to the laws and regulations applicable to general building contractors. You should consult with an attorney in your state to determine applicable licensing requirements.

You are responsible for investigating all laws applicable to your Franchised Business and complying with them at your own expense.

G. Your Owner's Obligations

You, the franchisee, must be a business entity in good standing under the laws of the state in which the business entity is incorporated or organized, which signifies that you may transact business as a business entity. The business entity may not own any assets or engage in any other business activities during the term of the Franchise Agreement that are unrelated to the iNX franchise. The bank accounts that you use to operate the franchise business may not include revenue or income from sources unrelated to your performance of Authorized Services or used to pay operating expenses unrelated to the iNX franchise.

Each person who owns ~~any interest in~~at least 20% of the outstanding equity of the franchisee ~~entity~~business entity (each, a "**Primary Owner**") must personally jointly and severally guaranty your obligations under the Franchise Agreement by signing ~~the~~a personal guaranty in the form attached as **Schedule ~~1~~3** to the Franchise Agreement. At least one of your ~~owners who owns at least 20% of the outstanding equity of the business entity (whom we prefer to as the "~~Primary **~~Owner~~**"~~)~~Owners must be responsible for supervising the overall operation of your Franchised Business and the performance of your duties under the Franchise Agreement.

You must designate a "**General Manager**" for the Franchised Business, who is responsible for supervising day-to-day activities of your Franchised Business, and an "**Operations Manager**," who is responsible for supervising the execution of work by employees who perform a Scope of Work at an Account's place of business. Unless you obtain our prior written approval, the General Manager and Operations Manager must be different individuals. We anticipate that in most cases, your Primary Owner will serve as the Franchised Business' General Manager during at least in the first year after the Business Start Date. An Operations Manager may not own an interest in the franchisee business entity.

As the Franchised Business grows, you will need to expand your team to include a Assistant General Manager and Assistant Operations Manager. Your Primary Owner(s), General Manager, Operations Manager, Assistant General Manager (if applicable), and Assistant Operations Manager (if applicable) are collectively referred to as your "**Management Group**." Each individual in the Management Group must execute our Confidentiality and Non-Competition Agreement.

ITEM 2

BUSINESS EXPERIENCE

Paul D. Laredo, President, Secretary and Director

Paul D. Laredo has been our President, Secretary and Director since the company was incorporated in July 2002. Mr. Laredo works out of his home ~~office~~ in Arroyo Grande, California.

Judy Laredo, Executive Vice President and Director

Judy ~~Lynn~~ Laredo became our Executive Vice President and Director in July 2002. Ms. Laredo works out of her home ~~office~~ in Arroyo Grande, California.

Aaron Laredo, Chief Operating Officer

Aaron Laredo joined us as a salesperson in September 2012, was promoted to Vice President of Business Development in October 2017, then promoted to Vice President in January 2022, and then promoted to Chief Operating Officer in January 2023. Mr. Laredo works out of his home in Vancouver, Washington.

Allison Laredo, Chief Financial Officer

Allison Laredo joined us as Client Services Manager in July 2006 and was promoted to Vice President of Client Services August 2012, then promoted to Chief Financial Officer in July 2021. Ms. Laredo works out of her home in Vancouver, Washington.

~~**Silvio Morales, Director of Franchise Development**~~

~~Silvio Morales joined us as Assistant General Manager in October 2018, and was promoted to Director of Franchise Development in December 2022. Previously, he was with Coverall Health Based Cleaning, Glendale, California, from May 2016 to November 2016, where he was a Director of Franchise Sales, and previously with Fiesta Insurance Franchise Corp., Huntington Beach, California, from August 2012 to May 2016, where he was Director of Franchise Sales. Mr. Morales works out of his home office in Phoenix, Arizona.~~

Lori Dondiego, Controller

Lori Dondiego joined us in December 2020. Previously, she was Accounting Manager at Addison Lee in Mahwah, New Jersey, from October 2016 to November 2019; Senior Accountant at North East Dental Management in Paramus, New Jersey from November 2013 to May 2016, before they were acquired by Dental Care Alliance in Florida; Senior Accountant at Konica Minolta Business Solutions in Ramsey, New Jersey, from July 2011 to November 2013; Senior Accounting Analyst at Ernst & Young in Lyndhurst, New Jersey from April 2008 to June 2010; and Staff Accountant at Marsh & McLennan in Paramus, New Jersey from November 2005 to April 2008. Ms. Dondiego works out of her home ~~office~~ in Paramus, New Jersey.

~~**Jotham Hatch, Vice President of Franchising**~~

~~Jotham Hatch~~

Niles D. Breithaupt III, Director of Operations

Niles Breithaupt joined us in ~~April 2022~~October 2024. Previously, he was ~~the Vice President of Training and Development with Chem-Dry in Logan, Utah (a member of the Belfor Franchise Group), from June 2018 through April 2022; Director of Training with Chem-Dry in Logan, Utah~~National Account Manager at Marsden Services in Minneapolis, Minnesota, from March 2023 to October 2024; Senior Vice President of Operations at Advanced Building Maintenance in Sacramento, California, from December 2021 to April 2022; Senior Direction of Operations at Cushman & Wakefield Facility Services in Needham, Massachusetts, from July ~~2007~~2019 to ~~July 2018; Instructional Designer with Chem-Dry in Logan, Utah~~November 2021; and Director of Operations at ISS Facility Services in San Carlos, California, from ~~July 2003~~November 2016 to July ~~2007~~2019. Mr. ~~Hatch~~Breithaupt works out of his home in ~~Logan, Utah~~Traverse City, Michigan.

ITEM 3

LITIGATION

~~*Hospitality Future Labs, LLC and Adam Schroder v. Harris Research, Inc., et al.*, No.: 22-0000081 (Haw. Cir. Ct. filed March 24, 2022). This matter was filed Hawai'i state court by a former Chem-Dry franchisee against Harris Research, Inc., now known as Chem-Dry, Inc. ("HRI"), the Chem-Dry franchisor, and several individual defendants, including our employee Jotham Hatch (who was formerly employed by Chem-Dry). The complaint asserted claims for breach of contract, breach of good faith and fair dealing, breach of fiduciary duties, tortious interference, defamation, infliction of emotional distress, conversion, unfair competition, and for declaratory relief. HRI removed the case to the U.S. District Court for the District of Hawai'i. The federal court stayed the action pending a parallel arbitration proceeding filed by HRI (*HRI v. Hospitality Future Labs, LLC and Adam Schroder*, AAA No. 01-21-0004-1006), which did not involve Jotham Hatch. According to HRI's Franchise Disclosure Document issued March 29, 2024, the parties to the arbitration settled the matter on May 5, 2023, HRI paid the former franchisee the sum of $225,000, and the matter is concluded. However, as of April 1, 2024, the federal court action has not yet been dismissed.~~

~~Other than the foregoing matter, there~~

There is no litigation that must be disclosed in this Disclosure Document.

ITEM 4

BANKRUPTCY

There is no bankruptcy that must be disclosed in this Disclosure Document.

ITEM 5

INITIAL FEES

~~**A. "Initial Fees."**~~

~~Initial Fees~~

Initial fees are fees that you must pay to us before the "**Business Start Date**~~.~~," ~~The~~which is the date on which you have met all of the requirements to open the Franchised Business and are approved by

us to begin providing Authorized Services to Accounts under this Agreement. We will specify the Business Start Date ~~is the date of~~on the completion certificate(s) that we issue to your Primary Owner, General Manager and Operations Manager (~~if all~~or on the last such completion certificate if those individuals complete the initial training program at different ~~people~~times), all of whom must successfully complete our initial training program, which we describe in Item 11. Before the Business Start Date, you must also provide us with evidence that you have all required insurance and business permits to perform Authorized Services. ~~We will not begin recruiting and marketing activities to identify prospective Accounts in your Territory until after the Business Start Date. Consequently, we identify Business Generation~~ Fees ~~in Item 6 since~~that you ~~will not~~ pay to us ~~Business Generation Fees before the Business Start Date.~~

~~Since we allow you 6 months~~ after the Business Start Date ~~to move into a business office, we disclose the Site Pre-Inspection Fee~~are disclosed in Item 6.

~~B. Initial Franchise Fee~~

When you sign the Franchise Agreement, you must pay us (1) an initial franchise fee of $~~4,995~~9,995 for the franchise rights~~.~~

~~C. Territory Fee~~

~~When you sign the Franchise Agreement, you must pay us~~; and (2) a Territory Fee equal to the product of ~~the~~ $~~0.22~~0.16 times the ~~number of business~~estimated population count in the Territory that we mutually agree upon before you sign the Franchise Agreement ~~according to~~based upon the most recent ~~U.S. census~~ data published by ~~the NAICS~~Co-Star or another supplier we designate. See additional disclosures in Item 12.

~~D. Interview and Testing Support Fee~~

~~If you ask us to help you evaluate potential General Manager and Operations Manager candidates before the Business Start Date, we will assign a member of our management team to work with you, in which case we will charge an Interview and Testing Services Support Fee equal to the number of hours spent by our management times our then-current hourly rate for this fee, which at this time is $115/hour. See additional disclosures in Item 6. We offer this assistance during the Term if you need to hire a replacement General Manager or Operations Manager. You are not obligated to seek our help in evaluating General Manager or Operations Manager candidates. We do not make or approve your hiring decisions.~~

~~E. Additional Disclosures; Refund Conditions~~

All ~~Initial Fees~~initial fees described in this Item 5 are non-refundable. We determine the amount of ~~Initial Fees~~initial fees in a uniform manner as to all franchises currently being granted. However, we reserve the right to negotiate different terms based on our assessment of individual circumstances. The ~~Initial Fees~~initial fees that we charged during our last fiscal year were uniform.

ITEM 6

OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Service Fee			

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	15% of Billed Revenue per Account for recurring services that you perform during an accounting period~~, which at this time is~~ (currently a calendar month~~.~~) As we explain in Item 1, ~~approximately 90 days after we issue each Account invoice~~if there is a discrepancy between Billed Revenue and Collected Revenue, we will send you a reconciliation statement ~~per Account~~ to ~~"true up"~~calculate the actual Service Fee due ~~per Account for the monthly accounting period according to the actual Collected Revenue for the accounting month from~~for the Account ~~if less than Billed Revenue~~.	45 days after the end of each monthly accounting period~~.~~	See Note 1 The calculation of Service Fees excludes Billed Revenue for ~~Special~~Non-Recurring ~~Projects.~~Services.
Site Pre-Inspection Fee	$~~995~~500 You must also pay us our travel expenses for our representative to visit the site	When you submit ~~to us~~the proposed location for our written approval ~~the address of your proposed business office~~(if we determine that a site visit is required to assess the location); travel expenses are invoiced after the travel is completed.	See Note 5 Due only if we determine that a site visit is required to assess the location.
Business Generation Fee	~~2.5 times one month Billed Revenue per the terms of~~The monthly Account Volume under the Account Contract ~~that you agree to perform~~multiplied by ~~signing the AAA~~225%. See note 2 ~~regarding~~for payment options.	When we notify you that an Account in your Territory has executed an Account Contract consistent with the material terms of the AAA that we have previously delivered to you.	The multiplier is subject to annual increase by an amount not to exceed 2% (two percent) up to a maximum multiplier of 3% times one month's Billed Revenue.
General Liability/Casualty Insurance Premiums, Workers' Compensation Premium, and Janitorial Bond Costs, Commercial Auto and Umbrella Coverage	The actual aggregate premiums that the insurance company charges us for providing mandatory insurance coverage for your Franchised Business each year. You may finance the cost of mandatory insurance coverage in 12 equal monthly installments with interest at the rate of 10% per year interest on the monthly declining balance.	Deducted from your monthly Collected Revenue (in the same way that you pay Service Fees).	You only pay Workers Compensation insurance premiums to us if you cannot secure Workers Compensation insurance through a professional employer organization ("**PEO**") that you select or through Van Beurden, a third party services provider that we recommend (see Item 8). The ~~Brand Standards~~ Manual specifies the types of insurance policies and minimum requirements per insurance policy.
Insurance Administration Fee	$333.33 per year You may finance the Insurance Administration Fee in 12 equal monthly installments with interest at the rate of 10% per annum on the monthly declining balance.	Deducted from your monthly Billed Revenue (in the same way that you pay Service Fees).	The Insurance Administration Fee is per policy. The ~~Brand Standards~~ Manual identifies to specific insurance policies that you must carry.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Subscription to Web-based Time and Attendance Application	The then-current fees charged by the third -party service provider~~, which at this time are $10 a month plus $4 a month~~ (currently $4 per user/employee per month for the application, $0.10 per call for ~~your Primary Owner and each of your employees.~~telephone calls)	Deducted from your monthly Billed Revenue (in the same way that you pay Service Fees).	The amount you pay us is equal to the amount that we pay to the third party service provider. We do not mark up these fees.
~~ERP (~~Enterprise Resource ~~Program)~~Applications Access Fee	Our then-current fee specified in the Manual, currently $50 per month	Deducted from your monthly Billed Revenue (in the same way that you pay Service Fees).	See discussion in Item 8
Annual Meeting Registration Fee	Our then-current registration fee identified in the ~~Brand Standards~~ Manual, which at this time is $500 per person.	60 days before the Annual Meeting begins.	We charge a Registration Fee only when we conduct a live meeting for Network Members in person. We may elect to conduct meetings for Network Members using video (remote) technology, like Zoom or Microsoft Teams.
~~After the Business Start Date, Training Fees to Deliver~~ Initial Training ~~Program to a New, Additional or Replacement~~Fee (for new or replacement General Manager or Operations Manager candidates trained after the Business Start Date)	Our then-current per person initial training fee specified in the ~~Brand Standards~~ Manual~~, which at this time is~~ (currently $2,800 to train a General Manager and $1,800 to train an Operations Manager~~ and $2,800 to train a General Manager.~~)	Before training begins	You pay this fee only if you ask us to deliver the appropriate initial training program to a replacement or additional General Manager or Operations Manager ~~that you wish to qualify and have us recognize~~after the Business Start Date. ~~The training program for each position is different.~~
Training ~~Fees~~ Fee (for ~~Optional Specialized Certifications~~optional specialized certifications)	Our then-current per person training fee specified in the ~~Brand Standards~~ Manual~~, which at this time is~~ (currently $115/hour.~~ –~~)	Before training begins	See discussion in Item 11. ~~This~~The hourly fee is subject to increase by up to 10% per year.
~~Special Project Fee for~~ Non-~~ ~~Recurring ~~Projects that~~Service Fee (for non-recurring services requested by an Account ~~Requests Outside of the Scope of Work in the Account Contract~~)	25% of Billed Revenue ~~billed~~invoiced to ~~Accounts specifically for performing non-recurring services once.~~ the Account for the Non-Recurring Services.	Deducted from your monthly Billed Revenue (in the same way that you pay Service Fees). We identify ~~by Account any~~in your monthly Franchise Revenue Statement the Billed Revenue ~~for non-recurring services~~and the Non-Recurring Service Fee for Non-Recurring Services performed during an accounting month ~~and the Special Project Fee in the Franchise Income Statement Detail that we issue for the Account~~.	This hourly fee is subject to increase by up to 10% per year. Only payable if you agree to and actually perform the ~~special project~~Non-Recurring Services. The ~~Special Project Fee excludes~~Non-Recurring Service Fee does not apply to Billed Revenue on which you pay us a Service Fee. You do not pay a Business Generation Fee for ~~non-recurring services~~Non-Recurring Services.
Non-Compliance Fees See Note 3	Note 3 lists the Non-Compliance Fees, which vary according to the specific "Performance Standards" default that you commit.	Deducted from your monthly Billed Revenue (in the same way that you pay Service Fees).	We may increase the Non-Compliance Fees by up to 10% per year.
Advances for New	At your written request, we may	We deduct each installment from	See additional disclosures in Item

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Accounts (“**New Account Start-Up Advance**”)	agree to pay you an advance per Account equal to up to one month of the Billed Revenue payable by a new Account in your Territory per the terms of the Account Contract. For each advance that we agree to pay you, you must repay us for the principal amount of the advance in not more than 6 equal monthly installments with interest at the rate of 10% per year on the monthly declining balance. We determine the amount of the advance and repayment terms.	your monthly Billed Revenue (in the same way that you pay Service Fees). We deduct the first installment in the first month after we make the advance, which may take place before we bill the new Account for Billed Revenue.	10. We determine the repayment term, which will not exceed 6 equal monthly installments, but may be less. A New Account Start-up Advance applies to the situation where you ask us to pay you an advance of Billed Revenue before we issue our first invoice to the Account for a Scope of Work (and after the Account has signed the Account Contract). This advance is designed to help you with initial expenses to staff up to handle a larger Scope of Work for a new Account.
Advance Before Payment Due Date (“**Advance Before Payment Due Date**”)	At your written request, we may agree to pay you an advance equal to up to one month of the total net amount due and payable to you per the Franchise ~~Income~~Revenue Statement ~~Detail~~. We determine the amount of the advance. We will charge you a one-time advance fee per advance, which is subject to change, but is currently equal to 3% of the amount that we advance.	Deducted from your monthly Billed Revenue (in the same way that you pay Service Fees).	See additional disclosures in Item 10. The Advance Before Payment Due Date applies to the situation where you ask us to pay you an advance after the end of an accounting period and before we issue an invoice to the Account for the Scope of Work that you have completed per the Account Contract. In other words, this advance would be paid to you at your request before 45 days after the end of an accounting month and repaid out of Billed Revenue.
Equipment Leasing	At your written request, we may advance your equipment leasing costs for equipment that you need access to in order to perform Authorized Services. You must repay us for all leasing expenses that we incur together with 10% interest.	Deducted from your monthly Billed Revenue (in the same way that you pay Service Fees).	See Items 10 and 11
Audit Cost	Our out-of-pocket cost for conducting an audit	Upon invoice	Payable only if audit was done because you did not provide financial statements or if the audit shows an underpayment of more than 3% of the amount due to us
Renewal Fee	~~$1,995~~40% of our then-current Initial Franchise Fee	When you ~~give~~notify us ~~notice~~ that you intend to exercise a renewal option~~.~~	See Item 17.
Transfer Fee (payable in connection with an Event of Transfer)	Calculated based on your most recent monthly Billed Revenue as the sum of 25% of the first $20K in Billed Revenue per accounting month; then 10% for Billed Revenue over $20K per accounting month. The minimum Transfer Fee is $5,000. If you ask us to help you identify a qualified buyer, we may increase the	Before we grant our consent.	See Note 4.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	Transfer Fee by 20%.		
Interest on Late Payments	1.5% per month or the highest rate allowed by applicable law, whichever is less	Upon invoice	
Management Fee (applicable in case of a death or permanent incapacity of a Primary Owner if there is no replacement Primary Owner who qualifies as a General Manager)	Management Fee equal to 10% of the first $100,000 and 5% over $100,000 of aggregate Billed Revenue per month (all Accounts). Additionally, you must reimburse us for our reasonable and direct overhead expenses (excludes indirect expenses and salary for our personnel).	Payable each day based on the prior day's work.	We may elect to manage the Franchised Business only under specific conditions. Payment of the Management Fee is in addition to payment of all other obligations and fees required to be paid to us under the Franchise Agreement on Billed Revenue during our management. Service Fees, ~~Special Project~~Non-Recurring Service Fees, and all other fees and deductions apply during the period that we manage your Franchised Business.
Webmaster Fee (Payable only if you request changes to your subpage content. See additional disclosures in Item 11.)	If you request changes to the content on your subpage after its initial setup, we may charge a Webmaster Fee for the time that it takes our webmaster to input your changes according to the then-current hourly rate posted in the ~~Brand Standards~~ Manual, which currently is $195/hour.	Within 30 days after the date of our invoice.	We do not impose any fee to set up your subpage initially. We may increase the webmaster fee by up to 10% per year.
In-person consultation after the Business Start Date (if we agree to furnish in-person assistance at your request in your Territory)	If furnishing in-person assistance at your request in your Territory requires our representative to travel more than one hour each way to reach the agreed-upon location (based on the representative's actual place of departure), you must pay us: (i) our then-current daily consultation fee (currently $500 per person for up to 8 hours per day; not ~~subject to proration~~prorated)~~:~~; (ii) reimbursement of reasonable travel expenses~~,~~ (including ~~expenses for~~ air and ground transportation, lodging, meals, and miscellaneous travel-related personal charges); and (iii) an amount equal to one-half of the then-current per person daily consultation fee for each travel day that requires more than one hour of travel.	You must pay 100% of the then-current daily fee before our representative begins travel to the mutually agreed-upon location and pay 100% of the travel expenses incurred by us in delivering in-person assistance within 30 days of invoice.	Scheduling is by mutual agreement. We may increase the daily in-person consultation fee by up to 10% per year.
~~Interview and Testing Services Support Fee~~	~~If you ask us to help you evaluate potential General Manager and Operations Manager candidates, we will assign a member of our management team to work with you, in which case we will charge an Interview and Testing Services~~	~~After receiving your request, we will determine the scope of services and provide an estimate of the Interview and Testing Services Support Fee. You must pay 100% of the estimate before we begin to render services. If~~	~~You alone make all hiring decisions. We will not approve your hiring decisions.~~ ~~We may increase the Interview and Testing Services Support Fee by up to 10% per year.~~

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	~~Support Fee equal to the number of hours spent by times our then-current hourly rate, which at this time is $115/hour.~~	~~our actual time is less than the estimate, we will provide you will a credit towards future Service Fees. If the actual time is more than the estimate, the additional Interview and Testing Services Support Fee is due within 30 days after the date of our invoice.~~	
Technology ~~Support~~ Fee ~~including access to applications on our Learning Management System platform (“**LMS**”)~~ (if implemented)	~~At this time, we furnish access to LMS without charge. However~~We may, at any time on 30 days’ notice, ~~we may collect~~begin collecting a monthly Technology Support Fee ~~in an amount not to exceed $25/month~~for access to various technology platforms. We anticipate that the cost will vary depending on the platforms involved and the number of users you register.	Deducted from your monthly Billed Revenue ~~on or before~~(in the ~~10th day of each month~~same way that you pay Service Fees).	~~We may increase the Technology Support Fee by up to 10% per year.~~ At this time, we furnish access to certain applications on our Learning Management System platform (“**LMS**”) without charge.

We impose and collect all of the above payments. Payments to us are not refundable.

Note 1: “**Billed Revenue**” means the total amount that we invoice to an Account following the end of an accounting month for the Scope of Work that the Franchised Business performs for the Account during the accounting month, regardless of whether our efforts ~~were responsible for recruiting the Account~~ or your efforts were primarily responsible for identifying and recruiting the Account. Billed Revenue excludes the proceeds from our sale of cleaning products to your Accounts.

~~“Billed Revenue” is different than “Collected Revenue.”~~ “**Collected Revenue**” is the actual amount that we collect from Accounts on an invoice for the Scope of Work ~~that you perform~~performed by the Franchised Business. We initially calculate Service Fees as a percentage of Billed Revenue, not Collected Revenue. We account for Billed Revenue using the accrual basis, not cash basis, of accounting. We deduct Service Fees from the Billed Revenue that we remit to you within 45 days after the end of each accounting month. ~~Approximately~~If there is a discrepancy between Billed Revenue and Collected Revenue, we will issue a Reconciliation Statement approximately 90 days after the invoice date ~~of the Billed Revenue, we issue a reconciliation statement, where we~~to “true up” the Billed Revenue and Collected Revenue ~~at that time~~ and adjust the Service Fees and other fees and deductions due to us for the accounting month according to Collected Revenue. We alone handle all billing and collection activities vis-à-vis Accounts. We remit payments to your designated operating bank account by utilizing a designated automated clearinghouse (“ACH”) system.

Note 2: The Business Generation Fee is a ~~one time~~ fee ~~per~~that you owe us when we sign a new Account Contract or a modification to an existing Account Contract ~~equal to a multiple of~~. For new Account Contracts, the fee is one month of Billed Revenue~~. The multiple ranges from 225% to 348.48% of one month of Billed Revenue per Account Contract. The specific multiple depends on the length of the term that~~, also referred to as the Account Volume, multiplied by 225% if you pay in a single payment and 360% if you choose ~~for paying~~to pay the ~~Business Generation Fee: the shorter the term, the lower the multiple (resulting in a lower Business Generation Fee), as illustrated in the chart below. You have five options for term length ranging from making one payment up to paying~~fee in 36 equal monthly ~~over a term of 36 months~~installments. You may choose ~~a different term~~either payment option for each Account Contract. ~~This chart illustrates the payment options:~~

Option	# of payments	Multiplier	When Due	Example – $10,000 Billed Revenue – first month
1	1	225% X one month Billed Revenue (10% less than Option #2)	When the AAA corresponding to the new Account Contract becomes effective	Total Business Generation Fee Payable = $22,500
2	4	62.50% X one month Billed Revenue per installment (4 installments)	4 equal monthly installments; first installment is payable when the AAA corresponding to the new Account Contract becomes effective; then on the same day in each of the next 3 months.	Each payment = $6,250 4 payments Total Business Generation Fee Payable = $25,000
3	12	23.44% X one month Billed Revenue (12 payments)	12 equal monthly payments; first payment is payable when the AAA corresponding to the new Account Contract becomes effective; then on the same day in each of the next 11 months.	Each payment = $2,344 12 payments Total Business Generation Fee Payable = $28,128
4	24	13.07 X one month Billed Revenue (24 payments)	24 equal monthly payments; first payment is payable when the AAA corresponding to the new Account Contract becomes effective; then on the same day in each of the next 23 months.	Each payment = $1,307 24 payments Total Business Generation Fee Payable = $31,368
5	36	9.68% X one month Billed Revenue (36 payments)	36 equal monthly payments; first payment is payable when the AAA corresponding to the new Account Contract becomes effective; then on the same day in each of the next 35 months.	Each payment = $968 36 payments Total Business Generation Fee Payable = $34,848

Business Generation Fees are not refundable once paid. However, if an Account cancels an Account Contract before the Business Generation Fee is fully paid, cancellation will cancel all remaining unpaid Business Generation Fees under the specific Account Contract. When you sign an AAA, you accept the risk that an Account may cancel its Account Contract at any time or reduce the original Scope of Work. Paying a Business Generation Fee does not guarantyguarantee that the Account Contract will remain in force for a minimum period of time or pay you a minimum amount of Billed Revenue.

If Billed RevenueHowever, if an Account cancels an Account Contract before the Business Generation Fee is fully paid, cancellation will cancel all remaining unpaid Business Generation Fees under anthat specific Account Contract. If the Account terminates within the first 18 months of service, you must pay us a Client Retention Fee as described below.

If you elect to pay the Business Generation Fee for an Account Contract over 36 months, and if the Account modifies the Scope of Work under that Account Contract (such that Billed Revenue increases or decreases going forward) before you have paid the entire Business Generation Fee per the payment option you choose, we will adjust the Business Generation Fee as explained in Illustrations #1 and #2 below. For example, an Account may reduce the Scope of Work in the original Account Contract which, in turn, reduces the original Billed Revenue, or it may increase the Scope of Work in the original Account Contract which, in turn, increases the original Billed Revenue. If the Account makes this change before you have finished paying. We recalculate the Business Generation Fee based on the original Scope of Work innew Billed Revenue under the originalmodified Account Contract, we recalculate the Business Generation Fee accordingly. as follows:

This is

- If an ~~illustration of what happens if an~~Account decreases the Scope of Work in the Account Contract ~~is reduced during the term of~~, the Business Generation Fee~~:~~

~~REDUCTION TO BILLED REVENUE – ILLUSTRATION #1~~	
~~WHEN: Account reduces the Scope Of Work in the original Account Contract decreasing Billed Revenue before Business Generation Fee is fully paid on original Billed Revenue~~	
~~Steps~~	~~Example – Account reduces the monthly Billed Revenue from $10,000 to $7,500~~
~~1~~	~~Original Billed Revenue – $10,000 one month Billed Revenue~~
~~2~~	~~Assume you elected to pay the Business Generation Fee on the original Billed Revenue of $10,000 in 12 payments. Each payment is $2,344 (total Business Generation Fee = $28,128).~~
~~3.~~	~~After you have paid 7 payments (7 X $2,344 = $16,408), the Account reduces the Scope of Work. The new monthly Billed Revenue for the reduced Scope of Work is now $7,500.~~
~~4.~~	~~Because you received Billed Revenue of $10,000 for each of the first 7 months of your 12-month payment plan, we do not adjust the portion of the Business Generation Fee already paid.~~
~~5.~~	~~We follow these steps in recalculating the remaining Business Generation Fee that you owe on the reduced monthly Billed Revenue of $7,500.~~ ~~• First, we determine the number of payments left to pay under the payment term option that you chose for this Account Contract. There are 5 payments left under the 12-month payment plan.~~ ~~• Next, we recalculate the Business Generation Fee on the reduced Billed Revenue amount of $7,500 under the 12-month payment term. We always use the term that you originally selected for this Account Contract in making this calculation. This calculation is $7,500 X 23.44%, or $1,758/payment.~~ ~~• The remaining Business Generation Fee is payable in 5 monthly payments of $1,758 (total remaining due = $8,790).~~

~~This is an illustration of what happens if an Account Contract is increased during the term of the Business Generation Fee:~~

~~INCREASE IN BILLED REVENUE – ILLUSTRATION #2~~	
~~WHEN: Account increases the Scope Of Work in the original Account Contract increasing Billed Revenue before Business Generation Fee is fully paid on original Billed Revenue~~	
~~Steps~~	~~Example – Account increases the monthly Billed Revenue from $10,000 to $13,500~~
~~1~~	~~Original Billed Revenue – $10,000 one month Billed Revenue~~
~~2~~	~~Assume you elected to pay the Business Generation Fee on the original Billed Revenue of $10,000 in 12 payments. Each payment is $2,344 (total Business Generation Fee = $28,128).~~
~~3.~~	~~After you have paid 7 payments (7 X $2,344 = $16,408), the Account increases the Scope of Work. The new monthly Billed Revenue for the increased Scope of Work is now $13,500.~~
~~4.~~	~~You continue to make the remaining 5 payments on the original $10,000 Billed Revenue.~~
~~5.~~	~~We determine the Business Generation Fee on the additional $3,500 Scope of Work as a separate charge. You may elect to pay the Business Generation Fees on the $3,500 in either 1, 4, 12, 24 or 36 monthly payments calculated in the same way as the original $10,000 monthly Billed Revenue.~~

payable for each of the remaining months will be equal to 10% of the revised monthly Billed Revenue under the Account Contract. We do not adjust the portion of the Business Generation Fee already paid.

- If an Account increases the Scope of Work in the Account Contract, you will (i) continue to pay the Business Generation Fee on the original Billed Revenue as originally calculated for each of the remaining months; and (ii) pay an additional Business Generation Fee on the increase in monthly Billed Revenue, calculated as if the increased Billed Revenue were a new Account Contract. You may choose to pay the additional Business Generation Fee either in a single payment (225% multiplied by the increase in monthly Billed Revenue) or over 36 months (360% multiplied by the increase in monthly Billed Revenue).

The Business Generation Fee is subject to these additional conditions:

- If you elect to pay the Business Generation Fee in one payment, your payment is due ~~when~~by the ~~AAA corresponding to the new Account Contract becomes effective, which, as we explain in Item 1, occurs immediately when a new~~last Wednesday of the month following the month in which the Account signs the ~~corresponding~~new Account Contract~~ on the same material terms~~, and shall be made (i) by deduction on your Franchise Revenue Statement; and ~~conditions as~~(ii) if the ~~AAA that you~~deduction will ~~have, at this point, previously approved. Under the other payment options~~be insufficient to pay the Business Generation Fee in full, the remaining balance by automated clearing house transfer received by us by the due date. If you elect to pay the Business Generation Fee over time, we will deduct each payment from the net Billed Revenue payable for the month in which the payment is due. If you elect to pay the Business Generation Fee in one payment, but fail to pay the Business Generation Fee in full before the next month's Franchise Revenue Statement, then we will automatically convert the Business Generation Fee for that Account to the monthly payment plan. The Business Generation Fee compensates us for ~~our services in~~ recruiting the customer, negotiating the terms of the Account Contract, and accepting the risk that ~~an~~the Account may cancel the Account Contract before you ~~fully~~ pay ~~us~~ the full Business Generation ~~Fees due based on the payment term option you have chosen~~Fee.

- If you engage in independent lead generation activities and introduce us to a prospective new Account, we discount the Business Generation Fee by either 10% or 50% depending on your level of involvement. You may choose ~~one~~either of the ~~5~~ payment options with respect to the discounted Business Generation Fee.

- We may increase the Business Generation Fee multiplier each year during the Franchise Agreement term by an amount not to exceed ~~2% (2~~two percent (2%) of the prior year's multiplier~~ rate~~.

~~Under the terms of our Account Contract, we may increase the amount of Billed Revenue~~

- If you elect to pay the Business Generation Fee for a new Account over time, and the new Account terminates within the first 18 months of service, you must pay us a fee equal to the initial Account Volume under the Account Contract ("**Client Retention Fee**"); provided, however, that no Client Retention Fee will be due and payable if the termination of the Account Contract is the result of any of the following events affecting the Account: business closure, relocation outside the Territory, or acquisition by another entity.

Our form of Account Contract permits post-contract increases in the Account Volume that an Account must pay each month under certain circumstances ~~because of higher labor~~due to increased costs. If ~~monthly Billed Revenue payable by an~~ Account Volume under an Account Contract increases ~~due to a wage increase before you have finished paying the~~in this circumstance, you will pay an additional Business Generation Fee for ~~that~~the increase in Account ~~Contract according to the payment option that you select, we may increase the Business Generation Fee by~~Volume, in an amount equal to one ~~times the amount by which the new Account Volume (reflecting the wage increase) exceeds the original Account Volume and we will spread this increase ratably over your remaining payments. A wage-related amendment would occur, for example, if monthly Billed Revenue increases due to an increase in the statutory minimum wage or if there is a material increase in the cost of workers compensation insurance. On the other hand, we~~month's increase in Account Volume. We will deduct that additional amount from Billed Revenue on your next Franchise Revenue Statement. We do not refund any portion of the

Business Generation Fee previously paid to us or adjust the amount of your remaining payments if there is a decrease in labor costs.

Note 3: You must operate your Franchised Business in accordance with our performance standards, which we explain in the ~~Brand Standards~~ Manual. We dedicate significant time and resources to convey a unified iNX brand message that emphasizes exceptional customer service and consistent quality assurance so that Accounts can depend on the iNX brand to signify a certain service level and remain loyal to the iNX brand. Any iNX Network Member that fails to conduct business in a manner consistent with our customer service standards threatens to harm the iNX brand reputation to the detriment of all Network Members.

This chart identifies the ~~specific~~current Performance Standards and corresponding ~~fine~~fines ("**Non-Compliance Fee**") ~~in effect at this time~~ if you fail to comply with a Performance Standard in servicing an Account:

PERFORMANCE STANDARDS - SERVICE		
Description of Non-Compliance	**Citation Due Date**	**Charge Per Incident**
Quality Assurance Form: Failure to submit a properly completed quality assurance form when due.	10 days after due date	$95
Failure to render all of the services contracted for by an Account within the scope of the AAA.	10 days after due date	$95
Account/Customer complaints: Failure to respond to a complaint received from an Account.	4 hours after receipt	$95
Missed or late appointments: Missing or showing up more than 30 minutes late to an appointment according to the service schedule agreed upon by Franchisee and the Account.	Appointment Time	$95
Employee substitutions without notice: If the employee of yours who actually performs services at the premises of an Account is not identified by you as the employee that will perform or has performed services.	By end of the same day on which services are performed by a different employee	$95
Your employee's failure to report his or her time on the job accurately or use the required time/attendance software (e.g., where an employee fails to "clock in" or "clock out" at the time they report and falsifies the actual time they work).	Per violation; the violation takes place when the employee submits a false time on the job report	$95
Franchise or Staff Uniform Violations: Allowing an employee who is not dressed in the uniform required by the ~~Brand Standards~~ Manual to perform services at the premises of an Account.	Per occurrence	$95
Unresolved Complaints or Quality Assurance Corrections: Failure to resolve a complaint from an Account to the reasonable satisfaction of the Account.	5 days from due date	$250
Your employee's failure to use an authorized company email address for email communications with iNX customers.	Per violation	$95
Failure to close a service order for additional services provided within 24 hours of providing service.	24 hours after services are provided	$95
PERFORMANCE STANDARDS - SAFETY		
Description of Non-Compliance	**Citation Due Date**	**Charge Per Incident**
Missed Mandatory Franchise Safety Meetings: Failure to attend any mandatory Franchise Safety Meeting for which we have provided no less than 30 days prior written notice. We may conduct franchise safety meetings in person or using remote video technology (like Zoom,	Appointment date/time	$250

Microsoft Teams).		
Staff or Facility Safety Equipment Not In Use or Not Available: Allowing an employee to perform services at the premises of an Account without proper personal protective equipment (goggles, masks, gloves).	Per occurrence	$250
Unsafe Work Conditions or Work Procedures: Allowing an employee to perform services at the premises of an Account under work conditions, or directing an employee to perform services following work procedures, that pose an unreasonable risk to the employee's personal safety.	Per occurrence	$250
PERFORMANCE STANDARDS – REPORTING WORK INJURIES		
Description of Non-Compliance	**Timeline**	**Charge Per Incident**
Failure to Report On-the-job Injuries involving your employees or members of the public	1st Occurrence per annum	$1,000
Failure to Report On-the-job Injuries involving your employees or members of the public	2nd Occurrence per annum	$5,000

The goal of Non-Compliance Fees is to motivate each Network Member to implement best practices in your Franchised Business' dealings with Accounts, employees and the general public to protect the integrity and reputation of our Licensed Marks and the goodwill that we have established with Accounts. You, alone, are responsible for implementing procedures and training and supervising your employees to comply with all Performance Standards.

~~Each year during the term of your Franchise Agreement, we may increase the Non-Compliance Fees identified in the chart by an amount not to exceed 10% per year over the prior year's rates.~~

If more than one Performance Standard default takes place, we may issue a separate citation notice per Performance Standard default. However, we agree not to issue a citation notice more than 90 days after the compliance deadline shown in the column marked "Citation Due Date."

By issuing a citation notice**,** you agree that we may deduct from the Collected Revenue payable to you the particular Non-Compliance Fee corresponding to the Performance Standard default that we describe in the Citation Notice. We agree to accept your payment of the Non-Compliance Fee as our sole remedy and will not issue a notice of default or pursue termination of the Franchise Agreement based on the same Performance Standard default described in the citation notice.

The Franchise Agreement sets a maximum number of Performance Standard defaults subject to the Citation Notice process. It provides that, after you receive either (i) 6 citation notices from us during any 12 month period whether they relate to the same or different Performance Standards; or (ii) 2 citation notices at any time based on your failure to report a workplace injury by the applicable Citation Due Date, whichever occurs first, we may issue a final citation notice. The final citation notice relieves us from having to accept payment of a Non-Compliance Fee as our sole remedy after the date of the final citation notice if you commit a new default (whether the new default relates to a Performance Standard or some other material breach of the Franchise Agreement). Instead, we may serve you with a written notice of default in accordance with the Franchise Agreement.

Note 4: The Franchise Agreement defines what constitutes an "Event of Transfer." You may not transfer or delegate performance of an AAA to another franchisee.

Note 5: You must ~~operate the Franchised Business from~~select and secure commercial business premises in your Territory~~. We have minimal requirements for the design and appearance of your business premises~~ within 90 days after the Franchised Business reaches the standard we specify in the Manual (currently 75 full-time equivalent employees). We anticipate that most Network Members will rent "flex space," a term that covers a wide range of commercial real estate including shared workspace, warehouse/office combination space, and light industrial space. Your business premises must be large enough to accommodate a desk and enough storage or warehouse space to store sufficient quantities of cleaning chemicals, solutions, cleaning materials, cleaning equipment and tools, employee uniforms, personal protective equipment, and supplies to service Accounts and avoid shortages. ~~In addition to storing supplies and equipment~~The space must allow sufficient privacy to conduct conversations without risk of having Account Data or other Confidential Information overheard by or available to unauthorized parties. Once you occupy business premises, you must keep the Franchised Business' books and records and perform administrative duties for the Franchised Business at the business premises. We impose minimal requirements for the business office's design, appearance and signage. You are solely responsible for investigating and evaluating potential sites in your Territory and submitting them to us for our approval following the procedures that we describe in Item 11. ~~When~~If, when you ~~apply for consent,~~submit the address of the proposed business premises to us for approval, we determine that an in-person site review is needed, then you must pay us ~~a~~ our then-current site pre-inspection fee ("**Site Pre-Inspection Fee**" ~~of $995 to defray~~) as specified in the Manual and including our travel expenses ~~in connection with site evaluation. You must take occupancy of the business office by no later than 180 days after the Business Start Date~~to your proposed location.

~~[*Remainder of page intentionally blank*]~~

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

~~Column 1~~	~~Column 2~~		~~Column 3~~	~~Column 4~~	~~Column 5~~
EXPENSE	**AMOUNT**		**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
	LOW	**HIGH**			
Initial Franchise Fee	$~~4,995~~9,995	$~~4,995~~9,995	ACH or wire transfer	At agreement signing	Us. See Item 5.
Territory Fee	$~~1,720~~ 56,350	$~~100,450~~266,900	ACH or wire transfer	At agreement signing	Us. See Item 5.
~~Interview and Testing Services (Note 1)~~	~~$0~~	~~$1,020~~	~~ACH or wire transfer~~	~~100% estimate is payable before we render services~~	~~Us. See Items 5 and 6.~~
Management Search Costs	$250	$10,500	Varies	As arranged	Third party search firm
Travel and Living Expenses During Training (Note 2)	$2,100	$4,840	Varies	As incurred	Hotels, carriers, restaurants
Start-up Equipment and Supplies (Note 3)	$1,600	$4,300	As incurred	Before opening	Suppliers
Business Licenses and Permits; Legal (Note 4)	$3,350	$7,930	As arranged	As arranged	Attorney and Government Agencies
Insurance (Note 5)	$2,370	$3,030	As arranged	Before opening	Us and Insurer
Additional Funds (3 months ~~after Business Start Date~~) (Note 6)	$15,230	$16,230	Varies	Varies	Varies
TOTAL	$~~31,615~~91,245	$~~153,295~~323,685			

THE ITEM 7 NOTES ARE AN INTEGRAL PART OF ITEM 7

Item 7 explains the estimated initial investment to open and begin operating a Franchised Business from the date that you sign the Franchise Agreement through the end of the "initial period," which we define as the first 3 months after the Business Start Date~~, which we define~~ (defined in Item 5).

~~Both the~~The low and high initial investment estimates rest on the following assumptions ~~regarding the initial period~~. You should adjust your own initial investment estimates if any of these assumptions do not apply to you:

A. The range shown for the Territory Fee is based on the product of $~~0.22~~0.16 times ~~a business~~the estimated population count in the Territory ~~of between 7,788 (low) and 456,589 (high)~~, which we anticipate may range approximately from 352,200 to 1,668,000.

B. We do not require you to occupy a business office for the Franchised Business until ~~6 months after~~you reach the ~~Business Start Date~~standard specified in the Manual, currently 75 full time equivalent employees. We assume that you will move into your business office after the initial period ends ~~and before the 6-month deadline~~. We therefore exclude rent and related expenses attributable to the business office (e.g., lease security deposit, furnishings, shelving, lighting, and other improvements typical for a "flex" work space that includes storage). We impose no minimum size requirements. In budgeting your first year's operating costs, you should allow for rent, security deposit, and costs of these improvements.

C. You incur no expenses to buy or lease a vehicle specifically to operate the Franchised Business. You use a vehicle that you already own or lease for any local travel associated with operating the Franchised Business and your employees use their own vehicles to travel to and from an Account's place of business. The only incremental vehicle-related expenses that you have during the initial period are for fuel and parking, for which we provide an allowance ~~for~~ in the Additional Funds estimate.

D. One of your Primary Owners serves as ~~the Franchised Business'~~your General Manager during the initial period.

E. You enroll two people in the initial training program before the Business Start Date (you and a designated Operations Manager).

F. Other than hiring and paying salary to a designated Operations Manager, our estimates do not include any allowance for payroll since our franchisees almost never employ other workers during the initial period, nor does it include an allowance for salary or distributions to the Principal Owners.

G. You own a computer with an operating system meeting our minimum requirements that we describe in Item 11 and incur no incremental expenses to lease or purchase computer hardware specifically attributable to the iNX franchise.

H. We cannot estimate the ~~Account Volume for Scope of Work services~~Billed Revenue for Authorized Services that you perform during the initial period ~~or the Billed Revenue associated with this Scope of Work~~. Therefore, Item 7 excludes any allowance for Service~~,~~ Fees, Business Generation Fees or other similar fees payable during the initial period because they are measured as a percentage of Billed Revenue ~~during the initial period~~, which we cannot estimate.

We based these estimates on our experience and that of our franchisees since 2003.

The Item 7 chart is accompanied by the following detailed notes that explain each expense category and the variables that influence the low and high initial investment estimates. These notes are an integral part of Item 7. None of the expenses shown in the Item 7 table is normally refundable.

NOTES

Note 1: The low estimate assumes that you do not ~~ask for our~~seek assistance to help you evaluate potential General Manager and Operations Manager candidates. The high estimate assumes that ~~you do and reflects that a member of our management team~~a supplier spends 10 hours ~~of time~~ working with you during the interview and evaluation process. ~~Before we render services, we will discuss the scope of our proposed involvement and provide you with an estimate of the number of hours we anticipate we will spend. The Interview and Testing Services Support Fee is an hourly fee, as we explain in Items 5 and 6. There is no minimum or maximum amount of time that we will spend; this is a service that we offer to you at your request. We will~~You and the supplier should mutually determine the scope of work ~~before we undertake services~~ so that you can budget for this expense ~~if you ask us for assistance~~.

Note 2: We do not charge a separate training fee to deliver the initial training program before you may launch franchise operations. We base our estimates on two management-level employees attending the initial training program: a Primary Owner, who will serve as the Franchised Business' initial General Manager, and a second management-level employee who is the designated Operations Manager. You are solely responsible for paying the travel expenses to the Los Angeles, California area for the "on the job" portion of the initial training program. Your expenses attributable to training during the initial period will depend on the distance that your Primary Owner and designated Operations Manager must travel from their respective residences to the training location and the type of accommodations that he or she chooses. The low estimate assumes that both individuals reside locally and drive daily to the "on the job" training location and the high estimate allows for economy-class air travel, 5 nights of hotel, ground transportation, and daily meals for two people.

Note 3: This category covers costs for upright and backpack vacuums, brooms, mops, mop heads, mop buckets and ringers, rags, chemical cleaning solutions, gloves, and dustpans. The high estimate also includes costs for a side-by-side cleaner and power washer.

Note 4: This category includes fees for a business license, fictitious business name registration fee, and a $500 janitorial license fee applicable to employers of janitorial workers in California to register with the California Department of Labor Standards Enforcement. The janitorial license fee applies if you operate the Franchised Business in California. If you operate outside of California, you must investigate if the state or local laws in your Territory imposes a similar requirement and, if it does, you should include the fee in your budget. This category also includes an allowance for fees and costs to engage an attorney to help you secure business licenses, form a new business entity to serve as the franchisee, and review this Disclosure Document and the franchise contracts before you buy the franchise.

Note 5: The estimates cover the cost of comprehensive liability and casualty insurance, including auto liability insurance, janitorial bond, and workers' compensation insurance meeting our current minimum requirements ~~that we specify in the Brand Standards Manual~~. As we disclose in Items 6 and 8, you must purchase policies through our designated insurance broker and pay us the premium costs, which we will remit to our broker. We disclose ~~the~~ low~~/~~ and high estimates of insurance premium costs for required insurance during the initial period.

Note 6: The category of "Additional Funds" includes miscellaneous expenses that you will incur during the first three months after the Business Start Date for operating costs like telephone and cell phone usage and service charges, office supplies, additional uniforms and identification badges, and additional ~~janitorial~~ equipment and supplies to replenish stock as needed during the initial period. Additional Funds also includes an allowance for payroll for your Operations Manager, auto use, and legal fees to engage an attorney to review this Disclosure Document and the exhibits including the Franchise Agreement.

As noted earlier, the Additional Funds category does not include an allowance for expenses attributable to locating, building-out or operating from approved commercial business premises in the Territory or payment of the Site Pre-Inspection Fee since we do not require that you move into approved business premises during the initial period, although you may choose to do so.

The Additional Funds category addresses expenses during the initial period, but exclude Service Fees and ~~Special Project~~Non-Recurring Service Fees payable during the initial period, and deductions for advances and other charges taken out of Billed Revenue and Collected Revenue during the initial period.

You should review the Item 7 figures and notes carefully with a business advisor before making any decision to purchase the franchise. We cannot guarantee that you will not have higher expenses or other categories of expenses to start the Franchised Business. You should not plan to draw income from operations during the start-up and development stage of your franchise, which may extend beyond the initial period (first 3 months after the Business Start Date). You should have additional funds available in reserve, either in cash or through a bank line of credit, or have other assets which you may liquidate or against which you may borrow to cover other expenses, losses or unanticipated events during the start-up and development stage of the Franchised Business and beyond until cash flow from operations is sufficient to support ongoing operation expenses. We cannot estimate your cash flow needs.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

A. General

In operating your Franchised Business, you must follow our comprehensive specifications for the iNX System. These specifications cover all aspects of operation including the delivery of Authorized Services. The imposition of uniform standards promotes public awareness of the Licensed Marks and protects and enhances the reputation and public acceptance of the iNX brand name, which benefits all Network Members. We may revise our uniform operating standards at our discretion as frequently as we believe is necessary through written supplements to the ~~Brand Standards~~ Manual, which we post on the Network Portal or through other written or electronic communications. At this time, we notify our franchisees about changes that we make to the ~~Brand Standards~~ Manual by email. The ~~Brand Standards~~ Manual will indicate if a particular operating requirement is mandatory or optional. You must conform to all changes that we make in our mandatory specifications at your cost within the time we allow.

B. Required Purchases from Us or Designated Third Party Suppliers

1. You must buy all cleaning products, cleaning equipment, and business cards from third party vendors that we designate in the ~~Brand Standards~~ Manual. All items must meet the specifications in the ~~Brand Standards~~ Manual.

2. We will license specific ~~"ERP" (~~time/attendance and enterprise resource ~~planning) and time/attendance~~ software applications that you must use in operating your Franchised Business. These applications perform various core business functions including staff scheduling, tracking staff time, billing, accounting, and cataloging cleaning equipment. See Item 6 for the fees that you will pay us for subscriptions to these applications.

3. You must purchase and maintain general liability insurance, casualty insurance, commercial auto, an umbrella policy, and a janitorial bond each of which must meet our specifications through our insurance administration program. In addition to paying the premiums for these policies, you must pay us an annual insurance administration fee for our services in identifying insurance companies, negotiating group policies, collecting your payment of premiums and paying insurance carriers these premiums, as we describe in Item 6.

4. We require all Network Members to outsource specific human resources and insurance services ~~to their own professional employer organization ("**PEO**") or to our recommended service provider,~~. Our designated supplier is currently Van Beurden Insurance, which maintains a principal business address in Kingsburg, California ("**Van Beurden**"). ~~Van Beurden will~~The designated provider directly ~~handle~~handles, or ~~arrange~~arranges with its own subcontractors to perform, a variety of services ~~benefiting~~for our franchisees, including payroll ~~functions, time and attendance recordkeeping~~processing services, human resources services, workers compensation insurance coverage, and workers compensation mitigation support services. We have negotiated preferred pricing terms with Van Beurden for the benefit of all iNX franchisees. ~~If you elect to use Van Beurden, you must sign Van Beurden's form of engagement letter.~~ We do not derive any income, revenue or other material benefits on account of your transactions with Van Beurden.

~~Alternatively, you may outsource the specific human resources services that we designate to a PEO of your choice. You have the option of engaging (i) our preferred provider PEO, Van Beurden; (ii) a PEO that has received a voluntary certification from the Internal Revenue Service signifying that it meets the IRS' tax compliance, background, experience, business location, financial reporting, bonding, and other requirements; or (iii) another PEO of your choice if you present us with information that demonstrates to our reasonable satisfaction that the PEO is financially sound and reputable and has the capability and capacity to perform the human resources services on your behalf in a timely manner in accordance with applicable law. We have not in the past, and will not in the future, derive any income, revenue or material benefits on account of your duty to outsource human resources services to a PEO.~~

5. You may engage in lead generation activities to identify and recruit new Accounts in your Territory. However, if the ~~Brand Standards~~ Manual identifies that we have entered into a master agreement with a preferred lead generation service provider, you must engage our designated service provider and pay any fees that the third party provider charges for its services directly to that firm. At this time, we have no arrangements in place to receive any revenue from a designated third party lead generation service provider on account of their dealings with our franchisees, but we may receive revenue in the future.

C. Enterprise Account Program

We have established an Enterprise Account Program to meet the requirements of Accounts that maintain places of businesses that are located in territories assigned to different Network Members that desire delivery of a common set of Authorized Services across the Enterprise Account's business properties. Like all Accounts, we negotiate the price, delivery methods and other material terms of sale under which all Network Members will deliver Authorized Services to an Enterprise Account and its branch locations, offices, properties or divisions (collectively, "**Branch Locations**") without any duty to consult with you or other Network Members.

Your participation in the Enterprise Account Program is optional. By executing the Franchise Agreement, you are deemed to "opt ~~into~~in" to the Enterprise Account Program. At any time during the term of the Franchise Agreement ~~term~~, you may "opt out" of the Enterprise Account Program effective on no less than 60 days written notice to us.

- ~~An election~~Choosing to ~~"opt~~remain opted in~~"~~ means that you agree to perform the Scope of Work at the contract price for each Enterprise Account with ~~an office, property or division~~Branch Locations in your Territory with which we sign an Account Contract before the effective date of your ~~"~~opt -out~~"~~ notice (if you serve one).

- An election to ~~"~~opt out~~"~~ means that, after the effective date of your ~~"~~opt -out~~"~~ notice, you have elected not to participate in the Enterprise Account Program for all Enterprise Accounts with which we execute into an Account Contract after the effective date of your ~~"~~opt -out~~"~~ notice. Your ~~"opt out"~~ election will not cancel or modify any AAA entered into with us for an Enterprise Account before the effective date of your ~~"~~opt -out~~"~~ notice ~~for a Scope of Work for an Enterprise Account with an office, property or division in your Territory~~.

- We will not begin to offer you Enterprise Accounts until after the first 60 days from the Business Start Date so that you have the opportunity to ~~"~~opt out~~"~~ of the Enterprise Account Program if you prefer not to participate in it and service Enterprise Accounts in your Territory.

~~We explain the Enterprise Account Program rules in greater detail in Item 12.~~

~~Except by mutual agreement, your Billed Revenue from all Enterprise Accounts during an accounting month will not exceed 10% of your aggregate Billed Revenue from all Accounts for the accounting month.~~

You must sign and return to us an AAA for each Enterprise Account within 24 hours after we notify you that we have executed an Account Contract with an Enterprise Account that has business properties in your Territory to ~~memorize~~memorialize your agreement to perform the Scope of Work and comply with the material terms ~~for delivery of Authorized Services including pricing terms~~. We explain the Enterprise Account Program rules in greater detail in Item 12.

D. Approval of Third Party Vendors

In situations where we recommend, but do not designate the use of particular software applications, goods, services or third party vendors, we do not extend material benefits to a franchisee based on the franchisee's decision to follow our recommendations.

If we designate a particular vendor, which may include us or an affiliate of ours, from whom you must purchase, license or lease particular applications, goods or services, we may treat your failure to abide by these mandatory requirements as a material breach of the Franchise Agreement.

We may impose new mandatory requirements, update our specifications, or designate new mandatory vendors during the term of the Franchise Agreement through updates to the ~~Brand Standards~~ Manual or by other written communications. In updating our standards, specifications and criteria for new vendors, we consider (i) our franchisees' operations and experiences; (ii) competitive changes; (iii) feedback from Accounts on their preferences and changing requirements; and (iv) technological developments affecting the ~~janitorial~~commercial facility maintenance service industry. We communicate changes to our standards and specifications to you in writing, usually through updates to the ~~Brand Standards~~ Manual and notify you by email when we make changes to the ~~Brand Standards~~ Manual. Upon request, our specifications will also be made available to vendors. We will allow you a reasonable amount of time after giving you written notice of the change in which to adopt the new mandatory requirement or begin purchasing from the new designated vendor at your expense. A reasonable time period will be at least 30 days or, in our discretion, longer depending on the circumstances.

We evaluate and designate vendors based primarily on price, business reputation, ability to meet our quality specifications, reliability of delivery and customer service, and response and delivery time. Our designation or approval of a particular third party vendor does not constitute a representation or warranty of the fitness or merchantability of the applications, goods or services licensed, sold or leased by the vendor.

You may apply to us for approval to purchase goods or services from vendors other than the ones that we designate. In deciding whether to issue approval, we will consider the quality and reputation for reliability of the vendor you propose. At this time, we do not have any established practice or procedure for reviewing requests to approve alternative vendors other than we will not unreasonably deny requests. We do not impose any fee to review a proposed vendor. There is no set period of time within which we must reply to a request to approve a new vendor (no franchisee has ever asked us to approve an alternative vendor). However, we generally reply to a franchisee's request for approval of an alternative vendor within 30 days following receipt of the request.

E. Purchasing Arrangements

We negotiate purchasing arrangements with designated vendors, including price terms, for the benefit of all Network Members. We do not provide material benefits, such as renewal or granting additional franchises, to you based on your voluntary use of designated sources. There are no franchisee purchasing or distribution cooperatives.

F. Revenue From Third Parties on Account of Franchisee Transactions

In our most recent fiscal year, which is the 2023 calendar year, we received no revenue from third party suppliers on account of their transactions with our franchisees. Approximately 35% to 70% of your startup expenses and 3% to 10% of your ongoing expenses, other than fees disclosed in Items 5 and 6, will be for purchases from designated suppliers or according to our specifications.

G. Additional Disclosure re: Suppliers

At this time, no officer of the Company owns an interest in any required, recommended or approved vendor other than equity in a vendor that is a public company.

~~[*Remainder of page intentionally blank*]~~

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the ~~franchise and other agreements~~Franchise Agreement ("FA"). It will help you find more detailed information about your obligations in ~~these agreements~~the FA and in ~~other items of~~ this Disclosure Document.

OBLIGATION	FA SECTION ~~IN AGREEMENT~~	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	Not applicable	11
b. Pre-opening purchases/leases	§4	5, 8
c. Site development and other pre-opening requirements	Not applicable	11
d. Initial and ongoing training	~~4~~§§4.2 & 4.3	

OBLIGATION	FA SECTION ~~IN AGREEMENT~~	DISCLOSURE DOCUMENT ITEM
		11
e. Opening	~~4~~§5	
f. Fees	§6	5, 6, 7
g. Compliance with standards and policies/operating manual	~~6~~§5	11
h. Trademarks and proprietary information	~~5~~Schedule 8	13, 14
i. Restrictions on products/services offered	~~4~~§5 & Schedule 8	16
j. Warranty and customer service requirements	§§4 & 5	Not applicable
k. Territorial development and sales quotas	~~Not applicable~~§5.11	12
l. Ongoing product/service purchases	~~2~~§§5 & 6	8
m. Maintenance, appearance and remodeling requirements	Not applicable	17
n. Insurance	~~5~~§§5.7 & 6.7	8
o. Advertising	~~5~~§5.6	11
p. Indemnification	§11	Not applicable
q. Owner's participation/management/staffing	§5	15
r. Records and reports	§§5.4 & 9	17
s. Inspections and audits	~~9~~§5.9	6
t. Event of Transfer	§10	17
u. Renewal	§3	17
v. Post-termination obligations	§9	17
w. Non-competition covenants	§7	17
x. Dispute resolution	§13	17

ITEM 10

FINANCING

A. Business Generation Fee

At your request, we may, in our sole discretion, agree to finance some or all of the Business Generation Fees that you must pay us for our services in locating Accounts in your Territory and offering you one or more AAAs. Financing terms permit repayment of the principal balance over a term of up to 36 months at 10% interest per year. If we agree to offer financing, you must sign a promissory note in the form of **Exhibit E** to the Disclosure Document.

As we explain in Item 6, we will deduct your monthly installment payments due under the promissory note from Billed Revenue. We may call the entire note and unpaid interest then due and payable and thereafter increase interest to 15% per year if (i) your Billed Revenue in a given month is insufficient to cover an entire installment and you fail to pay use the remaining amount of the installment due to us within five days after we give you written notice of default; (ii) after curing a default due to late payment of an installment twice within any 12 month period, your Billed Revenue is inadequate to pay an installment and we issue a third notice of default within the same 12 month period; or (iii) the Franchised Business' assets are attached by one of your creditors, you fail to pay taxes when due and payable, you license to operate the Franchised Business is suspended if your Territory is in a jurisdiction that requires you to hold a license (see Item 1), or you become insolvent or begin a liquidation or bankruptcy proceeding. If we or a subsequent holder employ an attorney to collect the amount due under the note, you must pay reasonable costs and attorney fees. The note is secured by you interest in the Billed Revenue that we collect from your customers under the Franchise Agreement.

B. Overpayment of Billed Revenue

As we explain in Item 1, if a reconciliation statement shows that Collected Revenue for an accounting month is less than Billed Revenue for that accounting month, the reconciliation statement will provide a calculation of your corrected net payment for the accounting month. The reconciliation statement will provide a breakdown of (i) the excess Billed Revenue that we have overpaid to you; and (ii) the credit due to you for the extra Service Fees and ~~Special Project~~Non-Recurring Service Fees that you previously paid to us on the Billed Revenue. You must repay us the amount by which (i) exceeds (ii) within 5 days after you receive the reconciliation statement. At your request, we may, in our sole discretion, agree to finance some or all of this amount over a term of up to 12 months at 10% interest per year. If we agree to offer financing, you must sign a promissory note in the form of **Exhibit E** to the Disclosure Document.

C. New Account Start-up Advance

As we disclose in Item 6, at your request, we may, in our sole discretion, agree to advance to you an amount equal to up to one month's Billed Revenue that a new Account promises to pay to us under a new Account Contract to help you meet your labor and other expenses for taking on a new Scope of Work under a new AAA. Your obligation to repay the advance will be memorialized in a promissory note in the form of **Exhibit E**. The note will bear interest at 10% per year and provide for a term that will be up to 6 months, but may be less, with the first installment due beginning the month after you start work under the AAA at the Account's place of business. As we explain in Item 6, we will deduct your monthly installment payments due under the promissory note from your Billed Revenue.

D. Advance Before Payment Due Date

As we disclose in Item 6, at your request, we may, in our sole discretion, agree to pay you an advance equal to up to one month's Billed Revenue representing the aggregate Billed Revenue net of fees and other deductions for all Accounts under Account Contracts for which you have signed a corresponding AAA. The Franchise ~~Income~~Revenue Statement ~~Detail~~ will show the current balance of this advance. This advance applies to the situation where you ask us to pay you your share of Billed Revenue after the end of an accounting period and before the date when your payment is due to you. In lieu of interest, we charge you a one-time advance fee per advance equal to 3% of the amount that we advance. As we explain in Item 6, we will deduct the sum of the advance and the 3% advance fee from your Billed Revenue.

E. Insurance Premiums

Under our insurance administration program, we will, at your request, advance any down payment required by the insurance broker for your policy, pay the insurer and deduct the premium in equal monthly installments from your Collected Revenue throughout the policy period. Your obligation to repay us for the sums that we advance will be memorialized in a promissory note in the form of **Exhibit E**. The note will bear interest at 10% per year on any amounts that we advance for you under this program.

F. Equipment Financing

At your request, to help you lease equipment that you will need to operate the Franchised Business and perform Authorized Services, we may, in our sole discretion, arrange with a third party for an equipment lease and advance your equipment leasing costs, which you must repay us together with 10% interest out of your Billed Revenue. See additional disclosures in Item 6. (Franchise Agreement Section 4.1).

G. Disclosures Applicable to All Financing Offered by Us

Except as we disclose in Item 10, we do not offer direct or indirect financing to our franchisees nor will we guarantee your obligations to third parties.

As we explain in Item 6, we will deduct the monthly installment payments due under each promissory note from the Billed Revenue that we collect from your customers. We may call the entire note and unpaid interest then due and payable and thereafter increase interest to 15% per year until the entire principal and all accrued interest is paid in full if (i) Billed Revenue for any accounting period is inadequate to pay an installment and you fail to pay the installment within five days after we give you written notice of default; (ii) after curing a default due to late payment of an installment twice within any 12 month period, your Billed Revenue is inadequate to pay an installment and we issue a third notice of default within the same 12 month period; or (iii) the Franchised Business' assets are attached by one of your creditors or you fail to pay taxes when due or your Franchised Business is suspended or you become insolvent or begin a liquidation or bankruptcy proceeding. If we or a subsequent holder must employ an attorney to enforce the note, you must pay reasonable costs and attorney fees. In addition to accelerating repayment, your failure to pay any installment when due under a promissory note payable to us constitutes a breach of the Franchise Agreement and grounds for termination.

Each promissory note is secured by your interest in the Billed Revenue that we collect from the Accounts for which you perform Authorized Services.

The ~~Personal Guaranty~~personal guaranty that ~~each of~~ your owners ~~must~~ sign applies to your obligations under each promissory note that you sign that is due and payable to us. You may pre-pay ~~all~~any promissory ~~notes~~note without penalty.

Termination of the Franchise Agreement for any reason will operate to accelerate the maturity date under all promissory notes that are outstanding on the effective date of termination. This means that, on the effective date of termination of the Franchise Agreement, you must pay us the outstanding principal and interest then due and accrued under each promissory note that you have signed that has a balance due to us.

You do not waive any legal rights under any promissory note that you sign in our favor ~~memorizing~~memorializing your agreement to repay financing that we extend to you.

At this time, we do not intend to sell, assign or discount to a third party any promissory notes memorializing financing that we extend to franchisees.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

A. Pre-Opening Obligations

We provide the following support services after you execute the Franchise Agreement and before the Business Start Date:

Initial Training

We will provide an initial training program during which we will provide instruction to your management-level employees and Primary Owner in the different duties of a General Manager and Operations Manager and to your responsibilities under the Franchise Agreement. (Franchise Agreement Section 4.7). We disclose additional information in this Item 11 regarding our initial training program and who must attend it.

~~Brand Standards~~ Manual

We will provide you with user access credentials to our Network Portal where, among other things, we post ~~our Brand Standards~~the Manual. (Franchise Agreement Section 4.13). The ~~Brand Standards~~ Manual contains detailed information on your rights and duties under the Franchise Agreement and the operating methods and requirements of the iNX System. As of the issuance date, the ~~Brand Standards~~ Manual is approximately 121 pages. We attach as **Exhibit I** a copy of the table of contents of our current version of the ~~Brand Standards~~ Manual indicating the approximate number of pages devoted to each subject and total number of pages in the ~~Brand Standards~~ Manual.

Designated Suppliers

We will provide you a list of approved or designated vendors of specified products that you may or must use to perform Authorized Services in the cleaning process and in operating your Franchised Business. (Franchise Agreement Section 5.4). We will provide this information in the ~~Brand Standards~~ Manual, by posting communications on the Network Portal, or in writing.

Forms and Templates

Through the Network Portal, we will provide you with access to downloadable business forms, art work for stationery and business cards and professionally designed marketing materials for your local use. (Franchise Agreement Section 4.13).

Interview and Testing Services

At your request, we will help you evaluate potential General Manager and Operations Manager candidates before the Business Start Date and as vacancies arise during the Term, for which we charge the Interview and Testing Services Support Fee that we describe in Item 6. You are not obligated to seek our help in evaluating General Manager or Operations Manager candidates. We do not make or approve your hiring decisions.

B. Site Selection

As we explain in the notes to Item 6, ~~beginning no later than 6 months after~~one the Franchised Business ~~Start Date~~reaches the standard specified in the Manual (currently, 75 full time equivalent employees), you must operate the Franchised Business from commercial business premises in the Territory. Before you enter into a lease for the business premises, we must approve its location and suitability. The ~~Brand Standards~~ Manual identifies our minimal requirements for the location, functions, design and appearance of your business premises including signage requirements. We anticipate that most Network Members will rent some type of "flex space" that combines room for a desk and storage or warehouse space. Generally speaking, you will meet with prospective and existing Accounts at their place of business, not at ~~the Franchised Business'~~your business premises. You will mainly use the business premises to conduct administrative duties for the Franchised Business and store cleaning supplies and equipment, personal protective equipment, and employee uniforms ~~to avoid shortages and disruption to your ability to perform jobs according to an Account's requirements, which you accept in the AAAs that you enter into with us for each Account that you agree to service~~.

To request our approval of proposed business premises, you must submit a site inspection request form that identifies the proposed business premises' street address, describes the basic physical attributes of the proposed business premises, identifies co-tenants (for shared space) or adjoining tenants in the same building or complex, lists the material occupancy terms under the proposed lease, and is accompanied by interior and exterior photographs of the business premises space and payment of the Site Pre-Inspection Fee if we determine that a site visit is required (see Item 6). We will be deemed to disapprove the proposed business premises unless we notify you of our approval in writing within 30 days after receiving your written request. You should not enter into a lease or other binding commitments with respect to the proposed business premises before ~~we give or are deemed to give~~you receive notice of our approval.

We will not approve a proposal to locate a business office within a retail business. The exterior and interior of the building, furnishings in a shared suite, and adjacent parking must all visually appear to be in good condition and repair, well lit, free of debris, secure, and communicate a professional image. Beyond these general criteria, we currently have no minimum specifications for building size, location, office furnishings, color schemes (other than for the Licensed Marks) or other details. You must safeguard Account Data and other Confidential Information (both defined in Item 14) in accordance with our policies and applicable law and using commercially reasonable protections. If you work in a public space and wish to transmit sensitive Account Data electronically, you must use a secure WiFi connection and observe commercially reasonable security precautions. ~~You must safeguard Confidential Information with the same rigor that you use to protect your own personally identifiable information. We define Account Data and Confidential Information in Item 14 of this Disclosure Document.~~

~~If you move into your business premises after the Business Start Date, you may keep the Franchised Business' books and records at your residence.~~

You may not relocate the approved business premises without obtaining our approval of the new location in accordance with the approval process in place at that time and paying us the then-current Site Pre-Inspection Fee, if we determine that a site visit is necessary.

We intend to list the street address of all ~~Franchised Business~~Network Partner offices ~~run~~ on the iNX Website~~, www.teaminx.com~~. In the past, we allowed our franchisees to maintain the office of the Franchised Business ~~office~~ in their primary residence and did not require our franchisees to operate from business premises. We will not list a franchisee's primary ~~residences~~residence as a ~~Franchised Business~~Network Partner office on the iNX ~~website~~Website.

Any use of the Licensed Marks to identify your Franchised Business in any format (e.g., whether on signs, vehicle wraps, business cards, banners or marketing materials that you create) must meet the brand guidelines in the ~~Brand Standards~~ Manual and requires our prior written approval before use.

C. Time Before Opening

The Business Start Date marks the date when you may begin performing Authorized Services. As we disclose in Item 5, the Business Start Date is the date when your Primary Owner, General Manager and Operations Manager (if all different people) successfully complete our initial training program. To mark this date, we refer to the date on the completion certificate that we issue to signify your management's successful completion of the initial training program (and if we issue separate completion certificates to each individual who attends the initial training program, the last completion date is the Business Start Date). We will not begin recruiting and marketing activities to identify prospective Accounts in your Territory until after the Business Start Date.

The Business Start Date effectively marks the "opening date" of the Franchised Business. We estimate the typical length of time between signing the Franchise Agreement and the Business Start Date is ~~90~~120-180 days. The actual Business Start Date will depend on how long it takes after the Effective Date of the Franchise Agreement for us to schedule the initial training program for your Primary Owner and management-level employee and for you to hire an Operations Manager and secure business permits and insurance. Before the Business Start Date, you must provide us with evidence that you have all required insurance and business permits to perform Authorized Services.

D. Post-Opening Obligations

Time and Attendance ~~Application~~ and ~~ERP System~~Enterprise Resource Applications

We will provide you with a subscription to ~~the Cloud~~our designated cloud-based time and attendance and enterprise resource software ~~application and "Enterprise Resource Planning System" ("ERP System")~~applications for which we hold master subscriptions with third party service providers. You will use these applications to enter data that we use to prepare Account invoices and document specific service activities. We have remote access and administrator rights to the data that you enter at all times and, likewise, you have access to see the Account invoices that we generate for Billed Revenue attributable to the Franchised Business. We use the ~~ERP System~~enterprise resource applications to monitor the generation of Billed Revenue, but have no ~~access~~ability to modify the employee records that you maintain to satisfy applicable law. (Franchise Agreement Section 4.1).

Accounts

As we explain in Item 1, once we identify a potentially suitable customer in your Territory and you confirm your interest in accepting the job opportunity, we will offer you a separate AAA to document the terms under which you agree to perform a specific Scope of Work for the Account that is identified in the AAA if the Account executes an Account Contract. Once we determine a bid price to offer the prospective Account for a Scope of Work, we will secure your approval of the Scope of Work and bid price before we make a formal proposal to the prospective Account. The Scope of Work and bid price in the AAA will substantively match the Scope of Work and bid price in the Account Contract that we enter into with the Account. You will execute the AAA before the Account executes the Account Contract, but the AAA will not become effective unless and until the prospective Account signs the Account Contract. When the AAA becomes effective, you must pay us the Business Generation Fee described in Item 6 of this Disclosure Document and in Section 6.6 of the Franchise Agreement. See additional disclosures in Item 1 regarding your performances duties pertaining to new customer recruiting and accepting the AAAs that we present to you. (Franchise Agreement Section 4.1).

Billing and Collection Service

We will provide billing and collection services to you for all Accounts, even those that you originate, and invoice the Account no less frequently than once each month for the amount due for the Scope of Work that you performed during the accounting period. (Franchise Agreement Section 4.6). We also provide you with a downloadable QuickBooks-compatible file each month with the Billed Revenue and Collected Revenue information for your Franchised Business and the amount of our fees, advances, and other deductions taken, which you can download into the Franchised Business' bookkeeping and accounting records that you maintain.

New Account Start-up Advance

At your request, to assist you in getting ready to perform a Scope of Work for a new Account, we may, in our sole discretion, agree to advance to you an amount equal to up to one month of the Billed Revenue that the Account agrees to pay to us under an Account Contract to help you meet your labor and other startup expenses. See additional disclosures in Items 6 and 10. (Franchise Agreement Section 4.1).

Equipment Financing

At your request, to help you lease equipment that you will need to operate the Franchised Business and perform Authorized Services, we may, in our sole discretion, advance your equipment leasing costs, which you must repay to us with 10% interest out of your Billed Revenue. See additional disclosures in Item 6. (Franchise Agreement Section 4.1).

Limited Cash Flow Protection

Each month, we will pay you an amount equal to the Billed Revenue that we invoice Accounts for the Scope of Work that you complete for them during the last accounting period. We do not charge you any interest if it turns out that the Billed Revenue that we advance to you is more than the Collected Revenue that an Account pays us. Afterwards, approximately 90 days after the invoice date to an Account, we will send you a reconciliation statement that "trues up" the Billed Revenue payment that we have advanced to you against the actual Collected Revenue that we receive from the Account. We explain the "true up" process in Item 1. Under this program, we advance to you a sum equal to the amount that we expect an Account to pay us although we do not guaranty this payment. (Franchise Agreement Section 4.1).

Advance Before Payment Due Date. This is a situation where you ask us to pay you an advance of Billed Revenue after the end of an accounting period and before the date that we credit you with your share of the Billed Revenue for the Scope of Work that you have completed per the Account Contract. We determine the amount of the advance. If we agree to make the advance at your request, we determine the amount of the advance. You must repay us for the advance with interest on the terms that we disclose in Items 6 and 10. (Franchise Agreement Section 4.1).

Insurance Administration

Under our insurance administration program, we will interface with our designated insurance broker on your behalf and assist you in completing the necessary forms to secure insurance coverage for the Franchised Business, advance the amount of any down payment required by the insurance broker, and remit monthly payments to the insurer. You must pay us for the insurance premiums and the insurance administration fee that we describe in Item 6. (Franchise Agreement Section 5.7).

If at any point during the term of the Franchise Agreement you fail to maintain the minimum required insurance coverage for the Franchised Business as specified in the Manual, we may, but are not obligated to, obtain such coverage on your behalf. If we elect to obtain coverage on your behalf, you must reimburse us for 125% of our cost to obtain the insurance; we may deduct this amount from Billed Revenue and Collected Revenue. (Franchise Agreement Section 6.16.1.5).

Consultation

We will provide you with continuing operating assistance to respond to your questions or requests for specific assistance. (Franchise Agreement Section 4.8). If we agree at your request to provide assistance in your Territory, you must pay us a daily assistance fee and reimburse us for our reasonable travel expenses, as we disclose in Item 6. (Franchise Agreement Section ~~4.8~~4.4).

Skills Certification Programs

In the future, we may develop specific skills certification programs that provide you with instruction in premium ~~janitorial and building~~commercial facility maintenance services that meet specific industry standards. We may designate certain skills certificates as optional and others as mandatory for your General Manager and Operations Manager, in our sole discretion, depending on our future marketing activities, competition in your market area, and the specific industries that our marketing targets. To secure a specific skills certificate, you must enroll your General Manager and Operations Manager in the additional training programs that we designate, which we or a third party may deliver, and your General Manager and Operations Manager must complete the program satisfactorily. In some cases, qualifying for a skills certificate may require that you invest in specific equipment. We will provide you with a reasonable amount of time to complete and secure a mandatory skills certification. To maintain certain certifications, you may need to submit periodically to testing or pass other recertification conditions. You bear all costs to qualify and maintain optional and mandatory skills certifications. (Franchise Agreement Section ~~4.8~~4.3).

Enterprise Account Program

We cultivate relationships with prospective Enterprise Accounts and administer the Enterprise Account Program, which we describe in Items 8 and 12. (Franchise Agreement Section ~~4.1~~4.1.6).

Ongoing Marketing Support

We provide marketing services to promote brand awareness of the Licensed Marks. See additional disclosures in this Item 11. (Franchise Agreement Section 5.6).

Training Programs

We repeat the "live" portion of the initial training program on an as-needed basis. By mutual arrangement, you may enroll other Primary Owners or non-owner management personnel whom you wish to qualify as a General Manager or Operations Manager in the "live" training session if they did not attend the same session delivered to your Primary Owner and management personnel before the Business Start Date. See Item 6 and additional disclosures in this Item 11. (Franchise Agreement Section 4.7).

Annual Conference

We may hold an Annual Conference for Network Members virtually using remote conferencing and streaming services or similar technology or in-person at a venue that we designate in the United States. ~~(Franchise Agreement Section 4.14).~~ Your General Manager, Operations Manager and, if different, at least one Primary Owner must attend the Annual Conference. We determine the agenda, which may cover subjects that include industry trends, customer lead generation and sales techniques, updates to Authorized Services, performance standards, marketing programs, and other iNX System changes since the preceding Annual Conference. You are solely responsible for the ~~salary~~salaries and any travel expenses of your personnel who attend the Annual Conference including transportation, lodging, food, and other personal charges. You must pay a per person registration fee in the amount that we disclose in Item 6 to help us cover the cost of the Annual Conference. In lieu of a Network-wide Annual Conference, we may conduct a series of regional meetings. Typically, the Annual Conference or regional meetings series will not exceed 3 days/year. We may also offer optional regional meetings and best practice workshops at the times and locations that we select. (Franchise Agreement Section ~~4.14~~4.8).

iNX Website Subpage

We will maintain a separate subpage for your Franchised Business that is linked to our website and will update ~~new~~the subpage with information ~~relevant to your Franchised Business~~ that you provide to us. (Franchise Agreement Section 4.13).

E. Marketing Services

We engage in various types of marketing activities that are designed to solicit new Accounts for our franchisees. These activities include one-on-one personal business solicitation in the form of meetings, telemarketing sales, internet advertising, print advertising, direct mail, and other forms of digital and traditional marketing. We may utilize our own employees or outsource lead generation activities to third parties in our discretion. We are not obligated to spend a minimum amount of money, resources or personnel time on activities designed to solicit new Accounts or generate leads for new Accounts in your Territory.

If our marketing efforts produce leads in your Territory that meet certain preliminary criteria that we set, we will notify you and involve you in the sales process as we explain in Item 1. Before we offer a prospective Account an Account Contract, we will obtain your agreement to perform the Scope of Work for the price and on the other material terms in the Account Contract. You will indicate your agreement by executing an AAA with us per Account, which will not become effective unless and until the Account

executes the corresponding Account Contract. When the AAA becomes effective, you must pay us the Business Generation Fee ~~per~~for the Account Contract, which we describe in Item 6. We deposit Business Generation Fees into our general operating account, which we may use without restriction. Business Generation Fees may, but need not, be used to advertise and promote the iNX brand, Licensed Marks or Network Members.

We do not collect marketing or advertising fees under the Franchise Agreement. Consequently, you will not make contributions into any type of marketing or advertising fund that we administer for the benefit of Network Members. You will not have to participate in a regional advertising cooperative. The Franchise Agreement does not require you to spend a minimum amount on local marketing. Business Generation Fees are not marketing fees. We do not account to you for the money that we spend on marketing activities to generate new Accounts.

There is no franchisee advisory council to advise us on advertising.

As noted in this Item 11, we will provide you with sample business forms, art work for stationery and business cards and samples of professionally designed marketing materials.

If you choose to engage in local marketing or marketing activities, the activities that you undertake must be completely truthful, conform to the highest standard of ethical advertising and comply with any applicable laws and regulations. You must submit to us copies of all marketing, promotional and advertising materials that you propose to use at least 10 days before the proof approval deadline or desired date of first use. We will review the materials within a reasonable time and will promptly notify you whether we approve or reject the materials. Our failure to reply by the end of 10 days signifies our disapproval. We may not withhold our approval unreasonably.

F. Computer Equipment

You will need a personal computer capable of running Windows 10 or higher, with Internet access and the ability to send and receive email, generate and store documents, and access the cloud-based business software applications that we require you to use to operate the Franchised Business and the Network Portal. You may purchase any personal computer model meeting our minimum specifications from any supplier of your choice. We anticipate the initial cost of a personal computer meeting our minimum specifications will be $2,000 or less. Your annual costs to maintain and upgrade the computer should be under $100 year unless technology developments make it more economical to replace computer hardware with a later model in order to utilize mandatory cloud-based applications efficiently.

You and each of the members of your work crew must carry a cell phone during the work day capable of receiving text messages and emails.

You must use the cloud-based time and attendance ~~application~~ and ~~ERP System~~enterprise resource applications that we designate and pay us the subscription fees that we disclose in Item 6 of this Disclosure Document.

We estimate that the total cost to maintain computer equipment, pay subscription fees, pay for cell phone services for you and your work crew, and related technology costs will be approximately $1,600 a year.

There is no requirement to have a “cash register” or “point of sale” system comparable to what retail businesses use to record their gross sales.

We will issue unique access credentials to the Network Portal to your Primary Owner, General Manager, Operations Manager and any other employees that you designate. However, they may not share their credentials with anyone else and must treat their credentials as Confidential Information. By accessing information on the Network Portal, they agree to our terms of use. Access to certain areas of the Network Portal may be restricted to your Primary Owner and General Manager.

[*Remainder of page intentionally blank*]

G. Training Program

TRAINING PROGRAM

GENERAL MANAGER – INITIAL TRAINING			
SUBJECT	**HOURS OF CLASSROOM TRAINING**	**HOURS OF ON-THE-JOB TRAINING**	**LOCATION**
Franchise Agreement Duties and Brand Standards	0.5-1	0	Remote (self-directed webinar accessed through our Learning Management System)
Franchise Operations	9-13	7-9	We deliver "classroom" instruction by video conference or on-line courses; on-the-job training is delivered in the greater Los Angeles area
Franchise Systems	4-5	0	same
Adding New Accounts	2-4	7-9	same
Account Management (focus on defining an Account's Scope of Work)	4-6	0	same
Cleaning Operations	3-5	2-6	same
Staff Management	4-6	0	same
Miscellaneous (night operations; Operations Manager supervision; use of software)	1-2	14-18	same
Review & Testing	4-5	0	Review and testing is conducted via video conference
TOTAL	31.5-47	30-42	

OPERATIONS MANAGER – INITIAL TRAINING			
SUBJECT	**HOURS OF CLASSROOM TRAINING**	**HOURS OF ON-THE-JOB TRAINING**	**LOCATION**
Franchise Agreement Duties and Brand Standards	0.5-1	0	Remote (self-directed webinar accessed through our Learning Management System)
Franchise Operations	13-18	0	We deliver "classroom" instruction by video conference or on-line courses; on-the-job training is delivered in the greater Los

OPERATIONS MANAGER – INITIAL TRAINING			
SUBJECT	**HOURS OF CLASSROOM TRAINING**	**HOURS OF ON-THE-JOB TRAINING**	**LOCATION**
			Angeles area
Franchise Systems	2-3	0	same
Adding New Accounts	4-7	0	same
Account Management (focus on strategies for completing a Scope of Work on budget)	7-10	1-3	same
Cleaning Operations	1-3	16-20	same
Staff Management	5-7	0	same
Review & Testing	1	0	Review and testing may be conducted in person, via video conference, and through our Learning Management System
TOTAL	33.5-50	17-23	

We will enroll the Primary Owner and up to two additional individuals whom you designate as your proposed General Manager and Operations Manager (if you will not serve as the General Manager after the Business Start Date) in our initial training program to begin on a mutually convenient date within the first 60120 days after you sign the Franchise Agreement. The primary instructional materials for the initial training program is the Brand Standards Manual. We do not impose a training fee to deliver training before the Business Start Date or for using training materials. All persons who participate in the initial training program must sign our Confidentiality and Non-Competition Agreement (**Schedule 10 to Exhibit C** of this Disclosure Document**, Schedule 5**) before we begin the initial training program.

We deliver part of the classroom portion of our initial training program via video conference and another part by providing you access to our Learning Management System ("**LMS**"), as indicated in the chart. Your Primary Owner and your General Manager and Operations Manager (if you will not serve as the General Manager after the Business Start Date) may each complete the classroom portion remotely from your respective residences or any other location with secure WIFI connection.

We deliver the "on-the-job" portion of our initial training program at one or more customer sites in the Greater Los Angeles area although we may designate different locations in the United States in the future. You expect you to begin the training program within 60 days after signing the Franchise Agreement.

We administer a certificate test for each portion of the initial training program and issue a completion certificate to each person who you enroll in the initial training program upon their successful completion. At least one Primary Owner and your General Manager and Operations Manager (if you will not serve as the General Manager after the Business Start Date) must each successfully complete both the classroom and "on-the-job" portions of the initial training program to our satisfaction before you may begin operating your Franchised Business.

Our initial training program curriculum includes "train-the-trainer" instruction to help your General Manager and Operations Manager acquire the skills to teach your employees who perform

~~janitorial~~commercial facility maintenance services at an Account's workplace proper cleaning techniques that meet the iNX System standards. We may also require that each of your employees whom you assign to perform Authorized Services at the premises of an Account must successfully complete a cloud-based video training program that explains our standards and specifications for performing Authorized Services. We make on-line training videos available to your employees; access is currently without charge but may be subject to a fee in the future. We will provide you with feedback regarding employee mastery of the training materials that you can address any deficiencies and delivery appropriate support to your employees.

The lead instructor of our training program is ~~Jotham Hatch~~Niles Breithaupt, whose experience with us is described in Item 2 of this Offering Circular.

After the Business Start Date, if you wish to qualify additional or replacement personnel as a General Manager or Operations Manager and they did not attend the initial training program before the Business Start Date, we will enroll them in the next available initial training program. You must pay a per person training fee in the amount that we disclose in Item 6.

After the Business Start Date, we may periodically offer continuing education programs that utilize different delivery formats, including offering live instruction, remote computer-based tutorials, and field training, and require that your Primary Owner, General Manager and Operations Manager at the time complete designated courses or training to our satisfaction at your sole expense in order to retain their General Manager and Operations Manager designation. However, we will not require that your Primary Owner, General Manager and Operations Manager each complete more than 5 days of mandatory live, in-person training per year including time spent at an Annual Conference. There is no limit on the number of hours of remote computer-based training that we may require that your Primary Owner, General Manager and Operations Manager each complete annually.

You are responsible for the travel expenses and salary of your employees during training programs that they attend. We do not compensate you or your employees for any work that you or they perform during training.

ITEM 12

TERRITORY

A. Your Territory

As we explain in Item 1, before you sign the Franchise Agreement, we will mutually designate a geographic area, which we refer to as your "**Territory**," that includes a population of at least 7,788 businesses according to the most recent ~~U.S. census~~ data on commercial building counts published by ~~the North American Industry Classification System (NAICS)~~Co-Star or equivalent database that we have chosen. We intend to delineate your Territory by reference to a group of contiguous U.S. Postal ZIP ~~Code Sectional Areas~~Codes. We alone determine the size of the Territory that we offer each franchisee based on each franchisee's business experience, financial condition, presence of competitors, local economic conditions and other factors that we feel are relevant to each geographic area. You must locate your Franchised Business's office in your Territory. You may not perform Authorized Services outside of your Territory.

During the term of your Franchise Agreement, we will not directly or indirectly perform Authorized Services at a job site in your Territory or award franchise rights to anyone that authorizes them to perform Authorized Services at a job site in your Territory. However, we may engage in certain

activities in your Territory during the term of the Franchise Agreement as we explain in this Item 12. As a result of our reserved rights (and only to the extent of our reserved rights), 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.

Unless we mutually agree to amend your Franchise Agreement ~~by mutual agreement~~, except as described below, we will not alter the boundaries of your Territory during the term of your Franchise Agreement regardless of changes in the number of businesses in your Territory. If you exercise a renewal option, you will retain the same Territory boundaries during the renewal term that we assign to you in the original Franchise Agreement unless we mutually agree to change these boundaries in writing. We will not agree to adjust your Territory's boundaries in connection with renewal in a manner that invades the territorial rights of other Network Members.

Your franchise rights are contingent on fulfilling your obligations under the Franchise Agreement. This includes, among other things, employing a General Manager and Operations Manager who each successfully complete our initial training program before the Business Start Date. It is also contingent on abiding by restrictions against engaging in a Competitive Business.

You must also meet the following minimum performance requirements applicable to the process of securing new Accounts, which we measure every rolling 13-week period during the Franchise Agreement term from and after the Business Start Date:

- ~~You~~During every rolling 13-week period during the Franchise Agreement term from and after the Business Start Date, you must keep at least 95% of all appointments that you or we (with your approval) set with prospective Accounts.

- ~~You~~During every rolling 13-week period during the Franchise Agreement term from and after the Business Start Date, you must submit a ~~written evaluation of each prospective Account by the end of the same day that you meet~~First Time Consult report to us within 24 hours of your meeting with the prospective Account at the prospect's place of business 100% of the time, except in the event of extenuating circumstances approved by us in advance. Your written evaluation must express your opinion regarding the suitability of the ~~job~~ opportunity according to the contemplated Scope of Work ~~that the prospective Account explains to us. If your evaluation is~~. If you conclude that the prospective Account is unsuitable, your ~~written evaluation~~report must specify your reasons ~~for your unsuitability rating~~.

- Beginning one year after the Business Start Date and continuing throughout the Term and any Renewal Term, you must maintain an average public review score of 3.6 or greater for both Google and Yelp reviews of the Franchised Business.

- During every rolling 12-month period from and after the Business Start Date, the Churn Rate for the Franchised Business must not exceed the greater of (i) 15%; and (ii) if the mean Churn Rate for all Network Members exceeds 15% during the 12-month period, then 125% of the mean Churn Rate for all Network Members for such 12-month period. "**Churn Rate**" means, for each Network Member: (a) the total Account Volume for Accounts that ended their Account Contracts during the 12-month period; divided by (b) the total Account Volume for all Accounts as of the beginning of the 12-month period.

Finally, your franchise rights are also contingent on maintaining an average "**Net Promoter Score**" ~~(~~or "**NPS**"~~)~~ of at least 50, which we measure over a rolling 26 week period beginning after the

end of the first 26 weeks from the Business Start Date. The ~~Brand Standards~~ Manual explains our system for determining a Network Member's NPS. The NPS is generated by a customer survey tool that helps us measure customer loyalty according to how Accounts rate your performance. We ask Accounts questions on a 0 to 10 rating scale (where 10 is "extremely likely" and 0 is "not at all likely") that explore the likelihood that they would recommend you or another iNX Network ~~Provider~~Member to a friend or colleague. Based on their responses, we categorize Accounts into one of three groups: Promoters (9–10 rating), Passives (7–8 rating), and Detractors (0–6 rating). The percentage of Detractors is then subtracted from the percentage of Promoters to obtain the NPS. A NPS can be as low as minus 100 (everybody is a detractor) or as high as plus 100 (everybody is a promoter). We may terminate your Franchise Agreement if you fail to maintain an average NPS of 50 over a rolling 26 weeks beginning after the end of the first 26 weeks from the Business Start Date.

You understand and agree that ~~(i)~~ we may (i) modify the ~~Net Promoter~~NPS criteria at any time; (ii) substitute a different customer satisfaction measurement tool for Net Promoter; or (iii) use additional customer satisfaction tools besides Net Promoter to benchmark your performance. In the case of (ii) or (iii), you understand that any new tools that we choose may utilize a different ranking system that unlike Net Promoter is not based on a scale of 100. However, for purposes of determining your satisfaction of this minimum performance requirement, you must maintain an average score according of at least ~~50~~75% of the maximum possible score during every rolling 26-week period from and after the Business Start Date.

If you fail to meet any one of the above minimum performance requirements, we may give you written notice of your default, and may elect any of the following remedies, in our sole discretion: (a) we may terminate your exclusivity in the Territory; (b) we may unilaterally reduce the size of your Territory; or (c) we may terminate the Franchise Agreement.

B. Enterprise Account Program

Once we enter into an Account Contract with a company that we identify as an Enterprise Account, we have the exclusive right to offer, market, and sell Authorized Services to all ~~branch locations~~Branch Locations of the Enterprise Account and its divisions that the Enterprise Account designates. You may not offer, market or sell Authorized Services to the Enterprise Accounts' local locations in your Territory without our prior written consent. We alone determine which customers qualify as Enterprise Accounts. We identify Enterprise Accounts on the Network Portal and update this list as we add new Enterprise Accounts. You are responsible for monitoring updates to the Network Portal to identify all current Enterprise Accounts.

~~Like all Accounts, we~~We negotiate the price, delivery methods and other material terms of sale under which ~~all~~ Network Members will deliver Authorized Services to an Enterprise Account and its ~~divisions~~Branch Locations without any duty to consult with you or other Network Members.

Your participation in the Enterprise Account Program is optional, as we explain in Item 8. During ~~the~~any period~~, if any,~~ that you elect to participate, ~~you must sign and return to us an AAA for each Enterprise Account~~ within ~~48~~24 hours after we notify you that we have executed an Account Contract with an Enterprise Account that has ~~business properties~~Branch Locations in your Territory ~~to memorialize your agreement to the Scope of Work and material terms for delivery of Authorized Services including pricing terms. At no time will Billed Revenue from Enterprise Accounts exceed more than 20% of your aggregate Billed Revenue from all Accounts during any accounting month~~, you must sign and return to us an AAA for the Enterprise Account, including your designation of the payment method for any Business Generation Fee associated with the Account Contract.

Although we have the exclusive right to offer, market and sell Authorized Services to all ~~branch locations~~Branch Locations of an Enterprise Account with which we have entered into an Account Contract, we will only undertake to perform, or allow another Network Member to perform, Authorized Services for an Enterprise Account's locations in your Territory if the Enterprise Account notifies us that it does not want to work with you for any reason. The AAA that you sign with us for an Enterprise Account allows us to reassign the Enterprise Account's locations in your Territory to another Network Member or perform the Authorized Services ourselves effective immediately once we give you written notice that the Enterprise Account requests reassignment for any reason or for no reason (i.e., with or without cause). ~~However, if we determine that the reason for the Enterprise Account's reassignment request relates to facts that reveal your material breach of the Franchise Agreement, we may terminate the Franchise Agreement.~~An Enterprise Account's request for reassignment does not automatically constitute your failure to participate in the Enterprise Account Program. However, if we determine that the reason for the Enterprise Account's ~~request for~~ reassignment ~~also does not preclude us from investigating the reason for this request and determining if~~request relates to acts or omissions by you that constitute a ~~material~~ breach of the Franchise Agreement ~~has occurred. Depending on our findings~~, we may terminate the Franchise Agreement.

We will use our reasonable business judgment in pursuing collection from Enterprise Accounts of outstanding invoices, but we are not obligated to (i) allocate payments that we collect from an Enterprise Account in a specific manner or in proportion to the outstanding receivable owed to each Network Member for Authorized Services rendered; or (ii) initiate collection proceedings against an Enterprise Account. We are not liable to you for any bad debt or nonpayment by an Enterprise Account. ~~As we may do in pursuing collection of unpaid Billed Revenue from non-Enterprise Accounts, we~~We may charge you for our collection costs, in an amount not to exceed ~~85% of~~ your share of the Billed Revenue invoiced to an Enterprise Account.

C. Our Retained Rights

We reserve all rights that we do not award to you. This includes the right to establish a separate iNX franchise program directed at providing cleaning services to occupied personal residences, which is a ~~property~~ category that we exclude from the scope of Authorized Services. If we were to launch a separate occupied residential franchise program, we do not have to offer you franchise rights for the same Territory that we assign to you under the commercial franchise program ~~which we describe~~described in this Disclosure Document.

We also reserve the exclusive right to create and sell a line of iNX ~~brand janitorial~~ branded cleaning products for residential and commercial use, which we may sell directly or through third party retail outlets, online marketplaces, and other trade channels in our sole discretion including from locations in your Territory and to customers who reside or work in your Territory. ~~However, as we explain in Item 1, we will share a portion of the Net Revenue From Supply Sales that we receive from the sale of iNX brand and non-iNX brand janitorial products to Accounts in your Territory that take delivery of the supplies at a location in your Territory and are the subject of a current AAA. Otherwise, we do not~~We have no obligation to share the revenue from these activities with you.

Because we exclusively may offer, market and sell Authorized Services to all ~~branch locations in your Territory~~Branch Locations of an Enterprise Account in your Territory with which we have entered into an Account Contract, we exclude these locations from your territorial rights. However, we will not perform or appoint another Network Member or a subcontractor to perform Authorized Services at an Enterprise Account's ~~locations~~Branch Locations in your Territory unless (a) you opt out of the Enterprise Account Program; or (b) the Enterprise Account ~~notifies us to request~~requests reassignment ~~to another Network Member or us~~. The substitution of another Network Member ~~is~~or a subcontractor does not ~~in~~

~~lieu of~~affect our right to terminate your Franchise Agreement if we determine that ~~the reason for the Enterprise Account's request for reassignment relate to conduct constituting a material~~you are in breach of the Franchise Agreement.

~~The~~Our award to you of a franchise ~~license~~ to operate the Franchised Business in the Territory does not obligate us to award you another iNX franchise if you apply for one or to enlarge the boundaries of your Territory. ~~However, if~~If we do agree to offer you another iNX franchise, you must sign our then-current Franchise Agreement, which may be materially different than the form of Franchise Agreement ~~that is~~ attached to this Disclosure Document. The award of franchise rights does not confer any type of right of first refusal to franchisees to purchase a new franchise for a territory that shares a common border with your Territory.

Nothing in the Franchise Agreement limits our right to use all, or parts, of the iNX System including the Licensed Marks for any purpose.

At this time, we do not sell, lease or distribute any goods or services under another brand name which might be considered to be competitive with Authorized Services or iNX ~~brand janitorial~~ branded cleaning products and we have no present plan to do so in the future.

ITEM 13

TRADEMARKS

The Franchise Agreement authorizes you to operate the Franchised Business using our "**Licensed Marks**," which collectively are the specific trademarks, service marks, trade names logotypes, slogans, and other commercial symbols that we designate in writing at any time. "**Licensed Marks**" include all of the rights that we or our affiliates now or in the future own under applicable law in all patents, copyrights, trademarks, service marks, trade names, software configurations, industrial designs, trade secrets law and other forms of intellectual property, whether the rights exist on the date you sign your Franchise Agreement or we acquire, develop or create the rights afterwards. As we explain in Item 1, the term "iNX System" includes the Licensed Marks.

Our principal Licensed Mark, "**iNX**," appears on the cover page of this Disclosure Document and is registered on the Principal Register of the United States Patent and Trademark Office ("USPTO") as both a word mark and a design mark as follows:

REGISTRATION NUMBER	TRADEMARK/ SERVICE MARK	INTERNATIONAL CLASS AND GOODS/SERVICES	REGISTRATION DATE
5,027,099	iNX	Class 35 - Business administration services in the field of janitorial services and building maintenance services; Franchising, namely, offering business management assistance in the establishment and operation of janitorial services and building maintenance businesses.	August 23, 2016
2,982,851	iNX (design mark as shown on the cover page of this Disclosure Document)	Classes 35, 37 and 41 - Business administration services in the field of janitorial services and building maintenance services; Franchising, namely, offering business management assistance in the establishment and operation of janitorial services and building maintenance businesses; janitorial services; training in the field of janitorial services.	August 9, 2005; renewed March 23, 2016

No agreements limit our rights to use or license the use of our Licensed Marks or trade name.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the Licensed Marks in this state or the state where your Franchised Business is to be operated.

Under the Franchise Agreement, you must notify us immediately when you learn about any threatened or actual claim of infringement or challenge to your use of any of any of the components of the iNX System including the Licensed Marks. We have sole discretion to decide if we will take any action. If we decide to take action, we, alone, will take the action we think is appropriate and control the handling of any negotiations, settlement or defense of the third party claim. As long as you are using the Licensed Marks in accordance with the Franchise Agreement, at our cost, we will defend you against any third party claim that challenges your right to use the Licensed Marks or iNX System. We agree to defend you at our expense and pay any settlement or damages that you are held liable for, and reimburse you for your direct costs if a court orders you to cease using or modify the Licensed Marks. However, under no circumstance are we responsible to pay you for consequential or punitive damages, or for any lost profits or for your legal fees to engage independent legal counsel.

You must modify or discontinue the use of any of the Licensed Marks if we notify you in writing about a change, which we may make at any time and for any reason. Except in connection with third party claims, you must bear the cost to change the Licensed Marks or other elements of the iNX System if we adopt new Licensed Marks, discontinue the use of a particular Licensed Mark or make other modifications to the iNX System.

You may not directly or indirectly contest our rights in or to the iNX System or the Licensed Marks.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We own no patents material to the operation of the franchise and there are no applications that we have filed that are currently pending seeking to register a patent material to the operation of the franchise.

Although we have not registered a copy of the ~~Brand Standards~~ Manual with the United States Copyright Office, we consider the ~~Brand Standards~~ Manual and all marketing materials or instructional materials that we furnish to you (unless we expressly indicate otherwise) to be our property under common law copyright doctrines.

There are no currently effective determinations of the USPTO or any state or federal court, nor any pending infringement, opposition, or cancellation proceedings or pending material litigation in the United States of which we are aware involving any matters in which we claim a copyright.

As we explain in Item 13, you must notify us immediately when you learn about an infringement or challenge to your use of the Licensed Marks, a term that includes our intellectual property rights in Confidential Information. As long as you use our Confidential Information in accordance with the Franchise Agreement, we will defend you at our cost against any third party claim that challenges your right to use our intellectual property. We agree to defend, pay any damages for which you are held liable to a third party, and reimburse you for any direct costs that you incur if a court orders you to cease using specific intellectual property rights and proprietary information. However, under no circumstance are we responsible for any of your consequential or punitive damages or lost profits.

Under the terms of the Franchise Agreement, we own all ~~"~~Account Data~~"~~ that you may learn about, collect and store ~~relevant~~relating to the~~ operation of your~~ Franchised Business~~. The~~ or that is developed or generated in connection with your operation of the Franchised Business. In return, and solely for purposes of performing your obligations under the Franchise Agreement, the Franchise Agreement gives you a license to use ~~this~~certain Account Data during the term of your Franchise Agreement. "**Account Data**" means any and all information ~~that~~(regardless of how you ~~discover, collect~~or we obtain, record, store, or maintain it) that relates to ~~the Accounts that are the subject of AAAs including~~an Account, including, but not limited to, the identity or name of the Account, contact information for the Account and its representatives, Account locations and services provided, and information regarding pricing, billing and ~~collection information~~collections, whether you or we are responsible for development and identifying the Account and whether the information is in electronic, written or another format. You must use, maintain and store Account Data consistent with our privacy policies, which we articulate in the ~~Brand Standards~~ Manual or otherwise in writing. We treat all Account Data that you generate or compile in operating your Franchised Business as "**Confidential Information**," a term that identifies a broad class of information that gives either one or both of us an advantage over third party competitors because the information is not generally known to the public or readily ascertainable by others through proper means. You may not use Account Data for any purpose unrelated to the Franchised Business or make a market in or attempt to sell or license Account Data to third parties for any purpose.

While the Franchise Agreement is in effect, neither you nor we may use or disclose Account Data in a manner that is detrimental to your ongoing relationship with the Account.

Once the Franchise Agreement terminates for any reason or expires, your license to use Account Data will end. You may only retain a copy of Account Data for the Accounts to which you provided Authorized Services during the last 24 months of the Franchise Agreement term if applicable law requires that you retain this information, in which case you may only retain it for the purposes and duration specified in applicable law. During this time period, you must continue to treat Account Data as Confidential Information.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

Either one of your Primary Owners or a non-owner management level employee whom you designate as the General Manager of the Franchised Business must personally supervise your Franchised Business. We recommend, but do not require, that your General Manager have an equity interest in the entity that executes the Franchise Agreement.

~~You and your General Manager (if not the same person) must complete our initial training program to our satisfaction.~~

While the Franchise Agreement does not specifically require that one of your Primary Owners personally devote full time and attention to the day-to-day operation of the Franchised Business, we select franchisees where at least one Primary Owner expresses their intention to participate actively in the operation of the Franchised Business as the General Manager with the goal of maximizing the Franchised Business' opportunities and profit potential. We will not award franchises to applicants looking to buy a passive investment.

You must also designate another management-level employee to serve as the Operations Manager of the Franchised Business, who is responsible for supervising the performance of work by employees at an Account's place of business. Unless you obtain our prior written approval, the General Manager and Operations Manager must be different individuals. ~~Neither the General Manager nor the~~The Operations Manager ~~must~~may not own equity in the business entity franchisee. ~~Both the~~

You, your General Manager (if not the same person), and your Operations Manager must complete our initial training program to our satisfaction ~~so that we issue a certificate of training completion~~before the Business Start Date. There may not be a vacancy in the General Manager or Operations Manager positions. To avoid a vacancy situation, we recommend that you qualify more than one individual for each position.

You are responsible for training your own employees whom you assign to perform Authorized Services at an Account's place of business in our standards and specifications. Each employee must successfully complete a cloud-based video training program and earn a certification of completion before you may dispatch them to job sites, as we explain in Item 11.

You must conduct business in a manner that informs clients, the general public, and any employees that you hire that you own and operate your Franchised Business as our licensee and as an independent contractor, and not as our agent or employee.

As we disclose in Item 8, you must outsource the performance of specific human resources services to ~~either~~ our preferred provider ~~PEO, Van Beurden; an IRS certified PEO; or an approved PEO~~. This requirement provides our Accounts with confidence that the franchisee responsible for performing services consistent with the AAA is in compliance with its legal responsibilities as an employer of the individuals who perform work at the Account's premises. Providing Accounts with this assurance benefits all Network Members and the goodwill that the public associates with our Licensed Marks. Besides the services that you must outsource to ~~Van Beurden or another PEO~~our preferred provider, you may outsource the performance of other human resource ~~and insurance~~ services to any approved third party services provider. The ~~PEO~~human resources provider that you engage may be treated by law as a co-employer of your employees. However, by engaging a ~~PEO~~third-party provider, you are not relieved of liability under applicable law as the employer of record of your employees.

You must operate the Franchised Business as a business entity and each ~~person who is an owner of any amount of equity at any time during the term of the Franchise Agreement~~Primary Owner of the franchisee entity must sign our form of personal guaranty ~~form~~ and furnish current personal financial information to us. Our current form of ~~Personal Guaranty~~personal guaranty is attached as **Schedule ~~1~~3** to the Franchise Agreement.

If you are married, your spouse will be asked to execute a Spousal Consent (**Exhibit C, Schedule ~~3 to the Franchise Agreement~~4**) acknowledging that your obligations under the Franchise Agreement are binding upon the marital community.

We require all individuals and other "**Covered Persons**" who require or receive access to Confidential Information including Account Data in order to perform their job for you must sign our current form of Confidentiality and Non-Competition Agreement~~. See **Schedule 10** to~~ (**Exhibit C** ~~of this Disclosure Document~~**, Schedule 5**). The term "**Covered Person**" means (i) Franchisee; (ii) each Affiliate of Franchisee; (iii) each individual who is (a) a General Manager, Operations Manager, Assistant General Manager, Assistant General Manager; or (b) an Owner, officer, director, ~~owner~~member or manager of a limited liability company, trustee, or general partner of the ~~Franchisee and its affiliate whether or not an owner is a Primary Owner or signs a personal guaranty; (ii) your General Manager and~~

~~Operations Manager~~Business Entities included in (i) and (ii); and (~~iii~~iv) the spouse, adult children, parents, or siblings of the individuals included in ~~(i), (ii) and~~ (iii).

The Confidentiality and Non-Competition Agreement ~~(**Schedule 10** to **Exhibit C** of this Disclosure Document)~~ also forbids ~~the franchisee business entity and~~ each Covered Person from directly or indirectly owning or engaging in a "**Competitive Business,**" which the Franchise Agreement defines as any business that performs ~~janitorial or building~~commercial facility maintenance services ~~to non-residential~~for customers. The non-competition agreement applies (i) during the term of the Franchise Agreement anywhere in the world; and (ii) for one~~-~~ year after the termination or expiration of the Franchise Agreement or an Event of Transfer of the Franchise Agreement anywhere in and within a 15 mile radius outside of (x) your former Territory; or (y) the territory of another Network Member.

~~[*Remainder of page intentionally blank*]~~

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We engage in marketing activities to develop Accounts for your Franchised Business to identify prospective Accounts and ultimately to enter into Account Contracts with them. As we explain in Item 1, before we offer a prospective Account a proposed Account Contract, we work with you to summarize our mutual understanding regarding the Scope of Work and other material terms of the job proposal in the AAA, which serves as the written contract between you and us that memorializes your agreement to perform the Scope of Work in the Account Contract if the Scope of Work and other material terms in the Account Contract that the Account ultimately signs are substantively identical to the AAA. Your execution of the AAA signifies your agreement to ensure that the Scope of Work that you and your employees perform at the Account's place of business is completed in a manner that satisfies our obligations under the Account Contract~~. We~~ and adheres to the iNX System. You and we will sign a separate~~, but identical~~ AAA for each Account ~~in~~on the then-current form of AAA in the ~~Brand Standards~~ Manual. ~~You will execute the AAA before the Account executes the Account Contract, but the~~The AAA will not become effective unless and until the prospective Account signs the corresponding Account Contract. Once you sign an AAA, you ~~may not offer to perform or sell anything to the Account besides the Scope of Work delineated in the AAA or in a Non-Recurring Service Agreement that you enter into with~~must relay any requests by the Account for additional services to us.

You may engage in lead generation and recruiting activities to identify new Accounts by promoting Authorized Services, subject to the conditions set out in Item 1 and subject to our prior approval of any local marketing materials that you choose to use to promote the Franchised Business.

You may not sell cleaning products, equipment, supplies, or any other products or services to customers independent of performing Authorized Services for an Account at the Account's place of business. You may not offer or perform Authorized Services for any customer with which we have not signed an Account Contract.

The Franchise Agreement does not limit our right to change the goods and services we authorize you to offer to prospective Accounts or to modify the iNX System.

As we explain in Item 11, we may in the future~~, we may~~ develop specific skills certification programs for premium commercial facility maintenance services and require that the General Manager and Operations Manager of your Franchised Business qualify for, secure and maintain specific skills certificates so that you can offer and perform the premium ~~janitorial and building maintenance services which the skills certificate identifies~~services.

~~[*Remainder of page intentionally blank*]~~

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

PROVISION	SECTION	SUMMARY
a. Length of the franchise term	3.2	Term is 10 years.
b. Renewal or extension of the term	3.2	If you meet the renewal requirements and we are awarding new iNX franchise in the United States at the time, you may renew the franchise for two consecutive 10-year terms on the same terms and conditions as franchises that we are then awarding to new franchisees at the time of renewal, as modified by the Renewal ~~Amendment~~Addendum (~~**Schedule 8)** to the~~ Franchise Agreement, **Schedule 7**).
c. Requirements for franchisee to renew or extend	3.3	To exercise each renewal option, you must sign our then-current Franchise Agreement, which may have materially different terms and conditions than the expiring Franchise Agreement. Additionally, you must be in good standing, provide sufficient notice, and sign our form of ~~mutual~~ general release ~~of claims. We do not charge a renewal fee~~.
d. Termination by franchisee	8.1	~~Not applicable~~You may terminate only for a material and substantial breach that we do not cure within the period allowed by the Franchise Agreement.
e. Termination by franchisor without cause		Not applicable
f. Termination by franchisor with cause	8.2	We may terminate only upon an uncured or non-curable material default
g. "Cause" defined - curable defaults	8.3	You have 10 days to cure a default based on non-payment or violation of applicable law (unless the violation pertains to public health or safety, in which case the length of the cure period may be shorter) and 30 days to cure any other default that the Franchise Agreement does not identify is not curable.
h. "Cause" defined -non-curable defaults	8.2	Non-curable defaults include: failure to complete all requirements to open the Franchised Business within 180 days; abandonment of the Franchised Business; material misrepresentation in your application to acquire the franchise; completing or attempting to complete an unauthorized Event of Transfer as defined in the Franchise Agreement or unauthorized subcontracting; 3 notices of default during any 24-month period (need not involve the same default) even if you cure the prior defaults in a timely manner; misuse of Account Data or other Confidential Information as defined in the Franchise Agreement; misuse of the Licensed Marks or other components of the iNX System; conduct that creates a danger to public health and safety; felony conviction; or directly or indirectly engaging in a Competitive Business.
i. Franchisee's obligations on termination/ non-renewal	9.1, 13.9	Stop using the Licensed Marks and any confusingly similar marks, pay amounts due, assign phone numbers to us, maintain records for not less than 7 years; comply with non-competition agreement (see r. below). Termination or expiration of the Franchise Agreement cancels all password and user credentials and access to the Network Portal. The Franchise Agreement provides for liquidated damages when termination is based on your default.
j. Assignment of contract by franchisor	10.1	No restriction on our right to assign your Franchise Agreement or sell our business. However, the buyer of our business must agree in writing to assume our obligations under your Franchise Agreement.
k. "Event of Transfer" by	~~10.3~~1.21	Includes the sale, gift or other change in ownership of any equity interest in the

PROVISION	SECTION	SUMMARY
franchisee - defined		franchisee business entity, rights under the Franchise Agreement, or substantially all of the assets of the Franchised Business.
l. Franchisor approval of transfer by franchisee	10.3	You must obtain our written consent, which we agree not to unreasonably withhold.
m. Conditions for franchisor approval of transfer	10.5	We elect not to exercise our right of first refusal; your proposed buyer meets our then-current qualifications for new franchisees; we issue written consent to the selling franchisee to complete the Event of Transfer, which we condition on the selling franchisee signing a ~~mutual~~ general release and being current in all obligations to us; non-refundable transfer fee paid (see Item 6); at our option either buyer assumes selling franchisee's Franchise Agreement or signs our then-current Franchise Agreement; buyer's equity holders must sign a personal guaranty; buyer's Primary Owner and its designated General, Manager and Operations Manager complete our initial training program (if they have not previously done so). Additionally, the selling franchisee and each Covered Person must abide by the non-competition agreement that applies for one year after the termination or expiration of the Franchise Agreement or an Event of Transfer (see r. below).
n. Franchisor's right of first refusal to acquire franchisee's business	10.4	Any assignment is subject to our right of first refusal.
o. Franchisor's option to purchase franchisee's business	9.4	We have an option to buy any of the physical assets of your Franchised Business upon termination or expiration of the Franchise Agreement.
p. Death or disability of franchisee	10.7	The Franchise Agreement treats the death or "Incapacity" of a Primary Owner as an Event of Transfer if the death leaves the franchisee business entity without a qualified General Manager. The Franchise Agreement defines what constitutes Incapacity. Following this contingency, we allow the heirs or representatives of the deceased or incapacitated Primary Owner ~~90~~180 days in which to qualify another Primary Owner of the franchisee business entity as a General Manager (if there is another Primary Owner at that time) or complete a sale of the Franchised Business to a qualified buyer, subject to the same conditions as any other Event of Transfer. We may assume management of the Franchised Business for ~~90~~up to 180 days, and we may extend the management period for up to ~~another 90 days by mutual agreement~~one year after the death or Incapacity.
q. Non-competition covenants during the term of the franchise	7.1.1	~~Neither the Franchisee nor any~~No Covered Person may engage in a Competitive Business anywhere in the world while the Franchise Agreement is in effect. See Item 15 for the definition of Covered Person and Competitive Business.
r. Non-competition covenants after the franchise is terminated or expires	7.1.2	~~Neither the Franchisee nor any~~No Covered Person may directly or indirectly engage in a Competitive Business for one year anywhere in and within a 15 mile radius outside of (x) your former Territory; or (y) the territory of another Network Member.
s. Modification of the agreement	15.7	Changes to the Franchise Agreement must be in writing and signed by both of us. We may modify the ~~Brand Standards~~ Manual unilaterally, but ~~no modification of the Brand Standards Manual~~such modifications will not materially and adversely change your or our rights and duties under the Franchise Agreement.
t. Integration/merger clause	~~15.6~~15.9	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of this Disclosure Document and the Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	13.1	Except for certain claims, all disputes are subject to non-binding mediation in Portland, Oregon. If mediation does not result in settlement, the dispute ~~must~~will be resolved ~~through~~in court. The Franchise Agreement does not permit arbitration. ~~Both mediation and arbitration will be conducted by the American Arbitration Association at a location that we designate in Los Angeles County, California.~~
v. Choice of forum	13.2.2, 13.3	Any court of competent jurisdiction for ~~purposes of~~ obtaining ~~provisions remedies~~

PROVISION	SECTION	SUMMARY
		~~that cannot be obtained through the arbitration proceeding.~~ provisional remedies; Multnomah County Circuit Court or the U.S. District Court for the District of Oregon for other disputes not resolved by mediation (subject to applicable state law).
w. Choice of law	13.6	California law, with specified exceptions.

ITEM 18

PUBLIC FIGURES

We do not use any public figure in our trade name or symbol. We do not use the endorsement of any public figure to promote the sale of franchises, nor is there any public figure who is involved in the management or control of our company.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We provide the following information regarding the actual Gross Revenue of all franchisees operating continuously throughout the last three years - 2021, 2022, and 2023. Each "Reporting Group" includes all of the franchisees that operated throughout that calendar year. The 13 franchisees included in the 2023 "Reporting Group" were included in the prior years; in each of the three years, we exclude one franchisee that operated during part but not all of that year. We define Gross Revenue in Item 6, Note 1. Gross Revenue does not reflect your operating expenses, including fees that you pay to us.

2023 Reporting Period (1/1/23 – 12/31/23)		
Reporting Group = 13 Franchisees	**Gross Revenue**	**Number ~~and~~& Percentage of Franchisees in 2023 Reporting Group ~~of 13 That~~that Attained or Surpassed Results**
Average Gross Revenue of Reporting Group	$949,224	3 (23%)
Median Gross Revenue of Reporting Group	$299,345	7 (54%)
Highest Gross Revenue in Reporting Group	$6,752,046	
Lowest Gross Revenue in Reporting Group	$122,722	

2022 Reporting Period (1/1/22 – 12/31/22)		
Reporting Group = 14 Franchisees	**Gross Revenue**	**Number ~~and~~& Percentage of Franchisees in 2022 Reporting Group ~~of 14 That~~that Attained or Surpassed Results**

Average Gross Revenue of Reporting Group	$847,964	3 (21%)
Median Gross Revenue of Reporting Group	$229,516	7 (50%)
Highest Gross Revenue in Reporting Group	$6,114,993	
Lowest Gross Revenue in Reporting Group	$101,801	

2021 Reporting Period (1/1/21 – 12/31/21)		
Reporting Group = 15 Franchisees	**Gross Revenue**	**Number ~~and~~& Percentage of Franchisees in 2021 Reporting Group ~~of 15 That~~that Attained or Surpassed Results**
Average Gross Revenue of Reporting Group	$718,070	3 (20%)
Median Gross Revenue of Reporting Group	$169,504	7 (46.67%)
Highest Gross Revenue in Reporting Group	$5,667,069	
Lowest Gross Revenue in Reporting Group	$91,229	

Comparison of 2023 Reporting Period vs. 2022 Reporting Period					
~~Reporting Group = 14 Franchisees~~	**2023 Gross Revenue**	**2022 Gross Revenue**	**Percentage Change Increase (Decrease)**	**Number ~~and~~& Percentage of Franchisees in 2023 Reporting Group of 13 That Attained or Surpassed Results**	**Number ~~and~~& Percentage of Franchisees in 2022 Reporting Group of 14 That Attained or Surpassed Results**
Average Gross Revenue of Reporting Group	$949,224	$847,964	11.9%	3 (23%)	3 (21%)
Median Gross Revenue of Reporting Group	$299,345	$229,516	30.4%	7 (54%)	7 (50%)
Highest Gross Revenue in Reporting Group	$6,752,046	$6,114,993	10.4%		
Lowest Gross Revenue in Reporting Group	$122,722	$101,801	20.6%		

~~The three years of reporting history illustrate improvement in all categories (average Gross Revenue; median Gross Review; highest Gross Revenue; and lowest Gross Revenue). Gross Revenue does not reflect your operating expenses including fees that you pay to us.~~

Some outlets have ~~earned~~sold this amount. Your individual results may differ. There is no assurance that you will ~~earn~~sell as much.

Written substantiation of this representation will be made available upon reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Paul Laredo, iNX Building Maintenance Solutions, Inc., ~~11150 West Olympic~~1001 Wilshire Blvd~~.~~, ~~Suite 1050 PMB 1067~~#1430, Los Angeles, CA ~~90064~~90017, telephone (888) 832-6469; the Federal Trade Commission; and ~~any~~the appropriate state regulatory ~~agency~~agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

SYSTEMWIDE OUTLET SUMMARY
FOR YEARS ENDING DECEMBER 31, 2021, 2022 AND 2023
AND PARTIAL YEAR ENDING SEPTEMBER 30, 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	18	15	-3
	2022	15	14	-1
	2023	14	13	-1
	2024*	13	10	-3
Company	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
	2024*	0	0	0
TOTAL	2021	18	15	-3
	2022	15	14	-1
	2023	14	13	-1
	2024*	13	10	-3

*Through September 30, 2024.

Table No. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS OTHER THAN iNX
FOR YEARS ENDING DECEMBER 31, 2021, 2022 AND 2023
AND PARTIAL YEAR ENDING SEPTEMBER 30, 2024

State	Year	Number of ~~Event of~~ Transfers
CA	2021	0
	2022	0
	2023	0
	2024*	0
TOTAL	2021	0
	2022	0
	2023	0
	2024*	0

*Through September 30, 2024.

Table No. 3

STATUS OF FRANCHISED OUTLETS
FOR YEARS ENDING DECEMBER 31, 2021, 2022 AND 2023
AND PARTIAL YEAR ENDING SEPTEMBER 30, 2024

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
CA	2021	18	0	3	0	0	0	15
	2022	15	0	1	0	0	0	14
	2023	14	0	1	0	0	0	13
	2024*	13	0	3	0	0	0	10
TOTAL	2021	18	0	3	0	0	0	15
	2022	15	0	1	0	0	0	14
	2023	14	0	1	0	0	0	13
	2024*	13	0	3	0	0	0	10

*Through September 30, 2024.

Table No. 4

STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS ENDING DECEMBER 31, 2021, 2022 AND 2023
AND PARTIAL YEAR ENDING SEPTEMBER 30, 2024

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
CA	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024*	0	0	0	0	0	0

*Through September 30, 2024.

Table No. 5

PROJECTED OPENINGS AS OF DECEMBER 31, 2024

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
CA	0	0	0

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
TOTALS	0	0	0

Attached as **Exhibit G** to this Disclosure Document are the names, addresses and telephone numbers of all current franchisees as of ~~December 31~~September 30, ~~2023~~2024.

Attached as **Exhibit H** to this Disclosure Document are the names, cities and states and current business telephone numbers (or if unknown, last known home telephone numbers) of every franchisee who has had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or the first ~~quarter of this~~three quarters of the current fiscal year or who has not communicated with us within ten weeks of ~~December 31, 2023~~the issuance date of this disclosure document.

If you buy this franchise, your contact information will be disclosed to prospective franchisees during the term of your Franchise Agreement and may be disclosed to other buyers for a period of time after 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 franchisees in our system.

ITEM 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document as **Exhibit ~~D~~J** are our audited financial statements for the fiscal years ending December 31, 2023, December 31, 2022, and December 31, 2021.

We also include unaudited financial statements for the period from January 1, 2024, through ~~January~~July 31, 2024. The unaudited financial statements were prepared without an audit, which means that no certified public accountant has audited the figures or expressed their opinion with regard to the content or form of the financial statements.

~~[*Remainder of page intentionally blank*]~~

ITEM 22

CONTRACTS

The following ~~agreements~~contracts are ~~proposed regarding the franchise we offer~~attached as exhibits to this Disclosure Document:

TITLE OF AGREEMENT	EXHIBIT~~/SCHEDULE #~~	SIGNED BY
Franchise Agreement	Exhibit C	You and us
~~Mutual General Release~~	~~Exhibit F~~	~~You~~
~~Assignment of Telephone Numbers, Email Addresses and URL's~~	~~Schedule 7~~	~~You~~
~~Confidentiality and Noncompetition Agreement~~	~~Schedule 10~~	~~Your officers, directors, owners, partners,~~

TITLE OF AGREEMENT	EXHIBIT/~~SCHEDULE #~~	SIGNED BY
		~~General Manager and Operations Manager~~
Personal Guaranty	Exhibit C, Schedule ~~1~~3	Each owner of any interest in the equity of the business entity franchisee
Spousal Consent	Exhibit C, Schedule 4	The spouse or domestic partner of each individual signing the Personal Guaranty
Confidentiality and Noncompetition Agreement	Exhibit C, Schedule 5	Your officers, directors, owners, partners, General Manager and Operations Manager
Collateral Assignment of Contact Information	Exhibit C, Schedule 6	You
Renewal Addendum	Exhibit C, Schedule ~~8~~7	You and us
~~Spousal Consent~~	~~Schedule 3~~	~~Your Spouse~~
Promissory Note	Exhibit E	You
General Release	Exhibit F	You

ITEM 23

RECEIPTS

Attached~~,~~ as the last ~~page~~two pages of this Disclosure Document ~~(**Exhibit L-1**), is~~are two copies of a receipt. Please sign ~~it,~~both copies and date ~~it~~them as of the date you receive the Disclosure Document ~~and~~, then return ~~it~~one copy to us. ~~A duplicate of the receipt (**Exhibit L-2**) is attached~~ and retain the other copy for your records.

EXHIBIT A

STATE ADMINISTRATORS

~~STATE ADMINISTRATORS~~

Listed below are state administrators and agencies having responsibility for franchise disclosure/registration laws:

California
State of California
~~California~~ Department of Financial Protection ~~&~~and Innovation
~~State of California~~
~~Suite 750~~
320 W. 4th Street, Suite 750
Los Angeles, California 90013-2344
~~1-866-275-2677~~
(213) 576-7500 / (866) 275-2677
ask.dfpi@dfpi.ca.gov

~~Michigan~~**Hawaii**

~~Michigan~~
Hawaii Commissioner of Securities
Department of Commerce
~~Corporation~~ & ~~Securities Bureau~~Consumer Affairs
~~G. Mennen Williams Building, 1st Floor~~
~~525 West Ottawa Street~~
~~Lansing, Michigan 48933~~
Business Registration Division
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2744

Illinois
Franchise Bureau
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

Indiana
Franchise Section
Indiana Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

Maryland
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360

Michigan
Consumer Protection Division, Franchise Section
Michigan Department of Attorney General
525 W. Ottawa Street
G. Mennen Williams Building, 6th Floor
Lansing, Michigan 48933
(517) 373-7117

~~**Hawaii**~~

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

Minnesota
~~Commissioner of Commerce~~
Minnesota Department of Commerce
Franchise Section
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 296-6328

New York
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8222

~~**Illinois**~~

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

~~**New York**~~

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

~~**Indiana**~~

~~Secretary of State~~
~~State of Indiana~~

North Dakota

~~North Dakota Securities Commissioner~~
North Dakota Securities Department

Oregon
Department of Consumer & Business Services
Division of Finance & Corporate

~~201 State House~~ ~~200 West Washington Street~~ ~~Indianapolis, Indiana 46204~~	~~Fifth Floor~~ State of North Dakota 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712	Securities State of Oregon Labor and Industries Building Salem, Oregon 97310 (503) 378-4140

~~**Maryland**~~ ~~Maryland Securities Commissioner~~ ~~Office of the Attorney General~~ ~~Securities Division~~ ~~200 Saint Paul Place~~ ~~Baltimore, Maryland 21202-2020~~	~~**Oregon**~~ ~~Department of Consumer and Business Services~~ ~~Division of Finance and Corporate Securities~~ ~~State of Oregon~~ ~~350 Winter Street, N.E.~~ ~~Room 21~~ ~~Salem, Oregon 97310~~

Rhode Island Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Avenue, Building 69-1 Cranston, ~~Rhode Island~~ RI 02920 ~~**South Dakota**~~ ~~Division of Insurance~~ ~~Securities Regulation~~ ~~124 S. Euclid, Suite 104~~ ~~Pierre, South Dakota 57501~~ (401) 462-9500	~~**Washington**~~**South Dakota** ~~Director of Financial Institutions~~ Division of Insurance Securities ~~Division~~ ~~State of Washington~~ ~~150 Israel Rd. SW~~ ~~Tumwater, Washington 98501~~Regulation ~~**Wisconsin**~~ ~~Administrator, Division of Securities~~ ~~Department of Financial Institutions~~ ~~4822 Madison Yards Way, North Tower~~ ~~Madison, Wisconsin 53705~~ 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
Virginia ~~Clerk of the~~ State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, ~~1st~~9th Floor Richmond, Virginia 23219 (804) 371-9051	**Washington** Department of Financial Institutions Securities Division State of Washington P.O. Box 41200 Olympia, Washington 98504-1200 (360) 902-8738
Wisconsin Division of Securities Department of Financial Institutions Wisconsin Commissioner of Securities P.O. Box 1768 Madison, Wisconsin 53701-1768 (608) 266-8559	

EXHIBIT B

AGENTS FOR SERVICE OF PROCESS

~~**AGENTS FOR SERVICE OF PROCESS**~~**California**

~~Commissioner of Department of Financial Protection & Innovation~~
~~State of California~~
~~Suite 750~~
~~320 W. 4th Street~~
~~Los Angeles, California 90013-2344~~
~~1-866-275-2677~~
~~ask.dfpi@dfpi.ca.gov~~

California
Commissioner of the Department of Financial Protection and Innovation
State of California
Department of Financial Protection and Innovation
320 W. 4th Street, Suite 750
Los Angeles, California 90013-2344

Hawaii

Hawaii Commissioner of Securities
Department of Commerce ~~and~~& Consumer Affairs
Business Registration Division
State of Hawaii
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

~~**Michigan**~~

~~Michigan Department of Commerce~~
~~Corporations and Securities Bureau~~
~~G. Mennen Williams Building, 1st Floor~~
~~525 West Ottawa Street~~
~~Lansing, Michigan 48933~~

~~**Minnesota**~~

~~Commissioner of Commerce~~
~~Minnesota Department of Commerce~~
~~Franchise Section~~
~~85 7th Place East~~
~~St. Paul, Minnesota 55101-2198~~

Illinois

Office of Attorney General

State of Illinois
500 South Second Street

Springfield, Illinois 62706

~~**New York**~~
Indiana
Secretary of State
~~99~~
State of Indiana
201 State House
200 West Washington ~~Ave~~Street
~~Albany, New York 12231~~Indianapolis, Indiana 46204

Maryland
Maryland Securities Commissioner
200 Saint Paul Place
Baltimore, Maryland 21202-2020

Michigan
Michigan Department of Commerce
Corporation & Securities Bureau
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933

Minnesota
Commissioner of Securities
Minnesota Department of Commerce, Franchise Section
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198

New York
Secretary of State
State of New York
99 Washington Avenue
Albany, New York 12231

~~**Indiana**~~
North Dakota
~~Secretary of State~~
~~State of Indiana~~
~~201 State House~~
~~200 West Washington Street~~
~~Indianapolis, Indiana 46204~~
~~**Maryland**~~

~~Maryland~~

~~**North Dakota**~~

~~Securities Commissioner~~
~~North Dakota Securities Department~~
~~Fifth Floor~~
~~600 East Boulevard Avenue~~
~~Bismarck, North Dakota 58505-0510~~

Oregon

Department of Consumer ~~and~~& Business

Securities Commissioner ~~Office of the Attorney General~~ North Dakota Securities ~~Division~~ ~~200 Saint Paul Place~~ ~~Baltimore, Maryland 21202-2020~~Department State of North Dakota 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505-0510	~~–~~ Services Division of Finance ~~and~~& Corporate ~~–~~Securities State of Oregon 350 Winter Street, N.E., Room 21 Salem, Oregon 97310
Rhode Island Director of Business Regulation Department of Business Regulation ~~Securities Division~~ State of Rhode Island 1511 Pontiac Avenue John O. Pastore Complex ~~1511 Pontiac Avenue, –~~ Building 69-1 Cranston, Rhode Island 02920	~~**Washington**~~**South Dakota** ~~Director of Financial Institutions~~ Division of Insurance Securities ~~Division~~ ~~State of Washington~~ ~~150 Israel Rd. SW~~ ~~Tumwater, Washington 98501~~Regulation State of South Dakota 124 S. Euclid, Suite 104 Pierre, South Dakota 57501
~~**South Dakota**~~ ~~Division of Insurance~~ ~~Securities Regulation~~ ~~124 S. Euclid, Suite 104~~ ~~Pierre, South Dakota 57501~~	~~**Wisconsin**~~ ~~Administrator, Division of Securities~~ ~~Department of Financial Institutions~~ ~~4822 Madison Yards Way, North Tower~~ ~~Madison, WI 53705~~
Virginia Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219	**Washington** Director of Financial Institutions Securities Division State of Washington 150 Israel Rd. SW Tumwater, Washington 98501
Wisconsin Commissioner of Securities Wisconsin Securities Commission 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705	

EXHIBIT C

FRANCHISE AGREEMENT

iNX FRANCHISE AGREEMENT

Business Entity Name of Franchisee: _____

Assumed Name: _____

CHECK ONE:

☐ **This Franchise Agreement is being signed for an Initial Term.**

☐ **This Franchise Agreement is being signed for a Renewal Term.**

TABLE OF CONTENTS

Page

1. DEFINITIONS 1
2. FRANCHISE RIGHTS ..... ~~1~~7
3. TERM AND RENEWAL ..... ~~4~~10
4. ~~OUR~~INX SERVICES ..... ~~6~~11
5. ~~YOUR~~FRANCHISEE'S PERFORMANCE ..... ~~15~~20
6. ~~YOUR~~FRANCHISEE'S FINANCIAL OBLIGATIONS TO ~~US~~ ..... ~~23~~INX 29
7. COVENANTS ..... ~~30~~35
8. DEFAULT AND TERMINATION ..... ~~31~~36
9. RIGHTS AND DUTIES OF PARTIES UPON EXPIRATION OR TERMINATION ..... ~~34~~39
10. ASSIGNMENT AND TRANSFER ..... ~~37~~41
11. RELATIONSHIP OF PARTIES~~; SECURITY INTEREST~~ AND INDEMNIFICATION ..... ~~41~~ 46
12. PERSONAL GUARANTY ..... ~~43~~47
13. DISPUTE RESOLUTION ..... ~~43~~47
14. ~~YOUR~~FRANCHISEE'S REPRESENTATIONS ~~TO US.~~ ..... ~~47~~ 51
15. MISCELLANEOUS ..... ~~48~~52

SCHEDULES

Schedule 1 ~~Personal Guaranty~~
~~**Schedule 2**~~ Franchise Information & Addresses for Notice
Schedule ~~3~~ ~~Consent of Spouse or Domestic Partner~~**2** Franchisee's Owners as of the Effective Date
Schedule 3 Personal Guaranty
Schedule 4 ~~List of Primary Owners~~ Spousal Consent
Schedule 5 Confidentiality and Non-Competition Agreement
Schedule 6 Collateral Assignment
Schedule 7 Renewal Addendum
~~**Schedule 5** Defined Terms~~
~~**Schedule 6** Description of Territory and Business Population; Street Address of Franchise Office~~
~~**Schedule 7** Assignment of Telephone Numbers, Email Addresses; URLs~~
~~**Schedule 8** Renewal Addendum~~
Schedule ~~9~~8 Intellectual Property Rights - Terms of Use
~~**Schedule 10** Confidentiality and Non-Competition Agreement~~

iNX® FRANCHISE AGREEMENT

This iNX FRANCHISE AGREEMENT ("**Agreement**") is made ~~and entered into on~~as of _____ ("**Effective Date**") by and between iNX Building Maintenance Solutions, Inc. ~~(interchangeably "iNX," "our," "we," or "us")~~, a California corporation ("**iNX**," "we" or "us"), and _____, a _____ ~~[franchisee's legal name] (interchangeably "you," "your," or~~ ("**Franchisee**" or "you") ~~with reference to the following facts:~~ .

~~**R E C I T A L S**~~

RECITALS

A. ~~We award~~iNX offers licenses for the right to own and operate a ~~janitorial and building~~commercial facility maintenance service business in a specific geographic area ~~identified by~~using the Licensed Marks and the iNX System, in accordance with iNX's comprehensive, distinctive and uniform business methods, standards and specifications.

B. ~~You have~~Franchisee has applied ~~to acquire~~for a license to own and operate an iNX ~~janitorial and building~~commercial facility maintenance service business in the Territory, and ~~represent that all of the information provided to us to support your application is true and complete~~Company is willing to grant a license to Franchisee on the ~~Effective Date~~terms and conditions of this Agreement and.

NOW, THEREFORE, for valuable consideration, the parties agree as follows:

TERMS AND CONDITIONS

1. DEFINITIONS

Capitalized terms ~~in this Agreement are defined in **Schedule 6** or where they are first used.~~ appearing in this Agreement are either defined where they are first used or have the following meaning:

1.1. "**AAA**" means Account Acceptance Agreement, which is the written contract between you and us that memorializes your agreement to perform the specific Scope of Work described in a specific Account Contract that we enter into with an Account. You will enter into a separate AAA for each Account; each AAA will specify the Account Volume, Scope of Work, and the payment terms for the Business Generation Fee for the Account Contract to which it relates. Your approval of the AAA signifies your agreement to ensure that the Scope of Work that you and your employees perform at the Account's place of business in a manner that satisfies our obligations under the Account Contract and adheres to the brand standards of the iNX System.

1.2. "**Account**" is the commercial facility maintenance service customer identified in an Account Contract, Non-Recurring Service Agreement, or AAA.

1.3. "**Account Contract**" is the written contract between us and an Account that memorializes our agreement to assign a Network Member to perform a specific recurring Scope of Work for the Account at the Account's place of business in exchange for agreed-upon consideration payable to us.

1.4. "**Account Data**" means any information (regardless of how you or we obtain, record, store, or maintain it) that relates to an Account, including, but not limited to, the identity or name of the Account, contact information for the Account and its representatives, Account locations and services provided, and information regarding pricing, billing, and collections. You must use, maintain, and store Account Data consistent with our privacy policies, which we articulate in the Manual or otherwise in writing.

1.5. "**Account Volume**" means the aggregate monthly Billed Revenue for which we will invoice an Account and that you can earn by performing the Scope of Work specified in the AAA.

1.6. "**Accounting Month**" means the accounting period that we specify for invoicing Accounts, and is currently a calendar month. We may change the accounting period for all or specified Accounts at any time, without prior notice for new Accounts and upon no less than 30 days' written notice for existing Accounts.

1.7. "**Affiliate**" means a Business Entity that controls, is controlled by, or is under common control with a party to this Agreement.

1.8. "**Applicable Law**" means and includes applicable common law and all statutes, laws, rules, regulations, ordinances, policies, and procedures established by any governmental authority with jurisdiction over the activities of either party to this Agreement in effect on or after the Effective Date, as they may be amended from time to time.

1.9. "**Assumed Name**" means the fictitious business name that we assign to you that you must use to conduct the Franchised Business, which may be specified in **Schedule 1** or otherwise in writing.

1.10. "**Authorized Services**" means, collectively, the specific recurring and non-recurring facility maintenance services described in the Manual for different types of properties, but excluding occupied personal residences.

1.11. "**Billed Revenue**" means the total amount for which we invoice Accounts on account of the Scope of Work that you perform at the Account's place of business, regardless of whether we or you generate the lead for the Account. Billed Revenue excludes amounts for which we invoice Accounts based on the Account's purchase of goods from us. For clarity, goods in this Section refers to customer consumables such as paper towels, hand soap, and other tangible materials that we sell to an Account, separate and apart from goods that you may use to perform the Scope of Work.

1.12. "**Business Entity**" means a corporation, limited liability company, partnership, limited liability partnership, trust, or other legal entity able to enter into contracts under Applicable Law.

1.13. "**Business Generation Fee**" is the fee that you owe us when we sign a new Account Contract reflecting an AAA you have approved, or a modification to an existing Account Contract, in an amount that we will calculate pursuant to this Agreement.

1.14. "**Business Start Date**" is the date on which you have met all of the requirements to open the Franchised Business and are approved by us to begin providing Authorized Services to Accounts under this Agreement. We will specify the Business Start Date on the initial training program completion certificates that we issue to your Primary Owner, General Manager, and Operations Manager (or on the last such completion certificate if those individuals complete the initial training program at different times).

1.15. "**Collected Revenue**" is the amount that we actually collect from an Account on an invoice for the Scope of Work that you perform for the Account.

1.16. "**Competitive Business**" means any business that performs commercial facility maintenance services for customers, or any business franchising such commercial facility maintenance service businesses.

1.17. "**Confidential Information**" means knowledge and information in any format that you know, or should reasonably know from all facts and circumstances, provides us or Network Members with a competitive advantage. Confidential Information includes (i) technology, software, strategies, financial, marketing, merchandising, operating, performance, cost and business information, business development plans, existing or proposed Authorized Services, Account Data, outsourcing strategies, and training curriculum; (ii) information regarding the actual or contemplated operations, sales, promotional and marketing methods, and techniques of the iNX System; (iii) our arrangements with existing, past, or prospective vendors or suppliers; (iv) Billed Revenue, Collected Revenue, profit performance, and other financial results of all or individual Network Members; (v) the results of Account surveys and marketing programs; (vi) the content in the Manual or posted to the Network Portal; and (vii) in general, ideas, methods, specifications, pricing and cost data, procedures, information systems, and knowledge about the iNX System or our prospective or existing arrangements with Accounts and Network Members whether the information is now known or exists or is acquired or created in the future or expressly identified as confidential that could, or does, give us a competitive advantage because it is not generally known to the public or readily ascertainable by others through proper means. For the sake of clarity to illustrate that the definition of Confidential Information is intentionally broad, Confidential Information includes knowledge or information that may be created by a third party at our request for our benefit or collected or received by us in any format including through "cookies," Web bugs or electronic or non-electronic means. However, information shall not be classified as "Confidential Information" if (x) you can demonstrate that the information lawfully came to your attention independent of entering into this Agreement and not as a result of your wrongful disclosure (whether or not deliberate or inadvertent); or (y) it is, or has become, generally known in the public domain.

1.18. "**Covered Person**" means (i) Franchisee; (ii) each Affiliate of Franchisee; (iii) each individual who is (a) a General Manager, Operations Manager, Assistant General Manager, Assistant General Manager; or (b) an Owner, officer, director, member or manager of a limited liability company, trustee, or general partner of the Business Entities included in (i) and (ii); and (iv) the spouse, adult children, parents, or siblings of the individuals included in (iii). Covered Person shall mean an individual who falls within the identified categories either on the Effective Date or later during the Term of this Agreement.

1.19. "**Enterprise Account**" means a client that we identify in the Manual with one or more places of business that are located in the assigned territory of two or more Network Members with which we enter into an Account Contract that provides for centralized billing and pricing terms for the Scope of Work performed by any Network Member.

1.20. "**Enterprise Account Program**" means the program that we administer pursuant to which we offer you the opportunity to perform a specific Scope of Work for an Enterprise Account's locations in your Territory on the terms and conditions of our Account Contract with the Enterprise Account. We may modify or discontinue the Enterprise Account Program at any time effective upon written notice.

1.21. "**Event of Transfer**" means any actual or attempted transaction or series of related transactions that, directly or indirectly, voluntarily or by operation of law that results or, if completed would result, in (i) the sale, assignment, transfer, pledge, gift, encumbrance, or alienation of any interest in this Agreement or the right to use the iNX System or any portion or components thereof; (ii) the sale, assignment, transfer, pledge, gift, encumbrance, or alienation of any Ownership Interest in Franchisee; or (iii) the death or Incapacity of a Primary Owner.

1.22. "**First Time Consult**" or "**FTC**" means your face-to-face interview of a prospective Account, which you must conduct at a prospective Account's place of business following notice from us identifying the prospective Account, or as part of your own lead generating activities, and also refers to the written report that you prepare based on the interview with your evaluation of the suitability of the prospective Account's job opportunity based on our then-current standards, which may include: (i) the prospective Account's contemplated Scope of Work; (ii) the financial terms if the prospective Account identifies these terms during the course of your meeting; and (iii) the non-financial terms of the opportunity, including your observations regarding the physical condition of the prospective Account's job site and the prospective Account's adherence to customarily observed safety protocols.

1.23. "**Force Majeure**" includes an event caused by or resulting from: (i) a fire, earthquake, natural disaster or act of God; (ii) any act of declared or undeclared war, terrorism, riot, or insurrection, or any nuclear, biological, chemical, or similar attack; (iii) an epidemic, pandemic, or other public health or safety emergency; (iv) material shortages or rationing; (v) failure or disturbance in transportation, communication, or similar vital infrastructure; (vi) a strike, lockout, or other labor dispute or action; (vii) any action by a civil or military authority in response to any of the foregoing; or (viii) any other similar cause that is not within the control of the party whose performance is required.

1.24. "**Franchise Office**" means the business premises from which you will operate the Franchised Business, which you will select subject to our approval and which you must occupy within 90 days after the Franchised Business reaches the standard specified in the Manual. The Franchise Office address will be specified in **Schedule 1** or otherwise in writing.

1.25. "**Franchise Revenue Statement**" means the monthly summary that we prepare and send to you listing the financial results for each Account in your Territory that you are then servicing, identifying (i) the specific Scope of Work that the Franchised Business performed for the Account during the prior Accounting Month according to the information that you have entered into the enterprise resource applications; (ii) the Billed Revenue that we have invoiced the Account for those services; and (iii) the calculation of how much we will pay you for the Accounting Month, based on the net difference between the Billed Revenue per Account and the sum of all fees, advances and other payments due to us for the Accounting Month in accordance with this Agreement.

1.26. "**Franchised Business**" means the iNX® commercial facility maintenance service business that you will operate pursuant to the terms of this Agreement.

1.27. "**General Manager**" identifies the person whom you designate who (i) is responsible for supervising the day-to-day activities of your Franchised Business and, if not a Primary Owner, reports directly to the Primary Owner; (ii) has appropriate authority to make decisions and conduct business affairs for you so that you at all times comply with this Agreement; (iii) is your primary point of contact for interactions with our management; and (iv) who must complete our initial training program to our reasonable satisfaction before assuming duties as a General Manager and any other mandatory training that we may require during the Term in order to retain status as a General Manager.

1.28. "**Incapacity**" is the inability of your Primary Owner to continue to perform the duties that the Franchise Agreement imposes on a Primary Owner due to medical or other reasons that continues for at least 120 days in the aggregate during any rolling 12 Accounting Month period during the Term, based upon the examination and findings of a physician selected by a hospital in the Territory selected by us. A period of Incapacity shall be deemed to continue without interruption unless and until your Primary Owner resumes performing his or her duties for 30 consecutive days with the same level of involvement as before the onset of the Incapacity.

1.29. "**iNX Intellectual Property**" means collectively all rights under Applicable Law available under patent, copyright, trademark, service mark, trade name, product configuration, industrial design, trade secret law, or any other statutory provision or common law doctrine with respect to intellectual property, including rights in or to the Licensed Marks, and any designs, formulas, algorithms, procedures, methods, techniques, ideas, know-how, software applications, inventions, creations, improvements, works of authorship, other similar materials, and all recordings, graphs, drawings, reports, analyses, other writings, and any other embodiment of the above, whether known, existing, or in use on the Effective Date or discovered, created, or put into use afterwards, in any form whether or not specifically identified in this Agreement. For the sake of clarity, iNX Intellectual Property includes our rights under Applicable Law in and to the Manual, Account Data, Confidential Information, and the other components of the iNX System, whether they exist today or are developed or introduced after the Effective Date.

1.30. "**iNX System**" means collectively (i) the specific Authorized Services that Network Members must or may offer, sell and deliver to the public and the specific standards of performance applicable to the quality and uniformity of work product; (ii) the quality and uniformity of the delivery methods that Network Members must or may use to perform Authorized Services; (iii) the business methods, marketing strategies, training programs, Account service policies, administrative procedures, and operating standards, procedures, requirements, specifications, and strategies that we prescribe or recommend to Network Members; (iv) the specific Confidential Information that we share with you; (v) the software applications that we make available to you that we own or to which we hold master subscriptions; and (vi) the Licensed Marks and our other Intellectual Property Rights that we license to you for use in connection with the operation of the Franchised Business on the terms of this Agreement, all of which may be changed, improved, and further developed by from time to time in our sole discretion.

1.31. "**iNX Website**" means any website(s) that we now or in the future maintain to promote Authorized Services performed by Network Members under the Licensed Marks.

1.32. "**Licensed Marks**" collectively mean all of the trademarks, service marks, trade names, brand names, logos, trade dress, and other proprietary indicia, whether registered, unregistered or arising by Applicable Law, and all registrations and applications for registration of trademarks, including intent-to-use applications, and all issuances, extensions, and renewals of registrations and applications that we now or hereafter use to identify, advertise, or promote the activities of Network Members

generally or individually and expressly authorize or require you to use as a condition of this Agreement. For the sake of clarity, Licensed Marks are a component of our Intellectual Property Rights.

1.33. "**Local Marketing**" means all communications in all formats and media channels that you create or adapt and intend to use, directly or indirectly, to market and promote the Franchised Business, your status as an authorized Network Member, or that display the Licensed Marks. Local Marketing includes: (i) written, printed and electronic communications in any media; (ii) communications sent by email or equivalent electronic technology; (iii) communications by means of a recorded telephone message, spoken on radio, television, or similar communication media; (iv) promotional items or promotional or publicity events; (v) listings in approved business directories; (vi) the use of the Licensed Marks on stationery, business cards, invoices, signs, brochures, flyers, or any type of outdoor marketing, point-of-sale materials, or other tangible personal property; (vii) the use of the Licensed Marks in social media whether the format or channel exists now or is created in the future; and (viii) content on the iNX Website or any third-party website. For the sake of clarity, Local Marketing includes scripts and presentation materials for prospective client pitches.

1.34. "**Management Group**" means Franchisee's Primary Owner(s), General Manager, Operations Manager, Assistant General Manager (if applicable), and Assistant Operations Manager (if applicable). Each individual in the Management Group must execute our Confidentiality and Non-Competition Agreement.

1.35. "**Manual**" refers collectively to all volumes of the manuals containing our confidential guidelines, operating procedures, brand standards, and other written instructional materials pertaining to the iNX System and the operation of the Franchised Business that we may share with you in confidence during the Term in written or electronic format or the iNX System, as we may modify the Manual from time to time.

1.36. "**Material Scope of Work Changes**" mean Scope of Work changes that are proposed to be made to an existing or proposed Account Contract that either alone or together with all prior Scope of Work changes within the last 90 days would either:

(i) decrease by 10% or more the price that the Account will pay for the Scope of Work when compared to the price in an existing Account Contract or the price proposed in an AAA (if we are negotiating a new Account Contract); or

(ii) increase by 10% or more the amount of time that you estimate it will take to complete the Scope of Work when compared to the then-existing Scope of Work (if an Account Contract already exists) or a proposed Scope of Work in an AAA (if we are negotiating a new Account Contract).

1.37. "**Net Promoter Score**" refers to a score generated by the customer survey tool that we designate for measuring customer loyalty, according to the rating system that we describe in the Manual.

1.38. "**Network Member**" refers to you, our Affiliate if an Affiliate of ours owns and operates operate an iNX business, and every other iNX franchisee that is a party to a Franchise Agreement with us.

1.39. "**Network Portal**" means the non-public electronic communications network portal(s) owned by us, with access rights limited to Network Members, that facilitates communication by us to Network Members, between us and individual Network Members, or among Network Members, and where we post the Manual and other information about mandatory and optional standards, specifications, methods, and procedures that comprise the iNX System.

1.40. "**Non-Compliance Fees**" are the fees identified in the Manual that you must pay us for not complying with the enumerated Performance Standards.

1.41. "**Non-Recurring Service Agreement**" is the written contract between us and an Account that memorializes our agreement to assign a Network Member to complete a particular Scope of Work for Non-Recurring Services for the Account at the Account's place of business in exchange for agreed-upon consideration payable to us.

1.42. "**Non-Recurring Services**" refers to Authorized Services requested by or offered or provided to an Account on a non-recurring basis.

1.43. "**Owner**" means any individual or Business Entity that holds an Ownership Interest in Franchisee.

1.44. "**Ownership Interest**" means a direct or indirect interest in the capital, shares, stock, membership interests, or profits of a Business Entity or rights in the economic benefits of that equity.

1.45. "**Performance Standards**" means the minimum performance standards specified in this Agreement and the Manual, which you must meet in order to avoid incurring Non-Compliance Fees and/or a default permitting us to terminate this Agreement.

1.46. "**Primary Owner**" refers to an individual or Business Entity that owns 20% or more of the outstanding Ownership Interests in Franchisee. Each Primary Owner must execute a Personal Guaranty of your obligations under this Agreement, and may be referred to as a "Personal Guarantor."

1.47. "**Provisional Remedies**" means any form of interim relief, including requests for temporary restraining order, preliminary injunction, writ of attachment, appointment of a receiver, for claim and delivery, or any other order that a court may issue to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo pending the completion of mediation.

1.48. "**Reconciliation Statement**" refers to the written statement that we prepare in the event of a discrepancy between Billed Revenue and Collected Revenue and deliver to you approximately 90 days after sending an invoice to an Account that shows the actual Collected Revenue received from the Account as of the Reconciliation Statement date and any adjustments to the prior Franchise Revenue Statement(s) for that Account.

1.49. "**Scope of Work**" describes the services, equipment, processes, frequency of service, scheduling requirements, restrictions, and other service conditions set forth in an Account Contract or Non-Recurring Service Agreement and that you agree to perform for an Account as specified in the AAA or sales order for the Account.

1.50. "**Territory**" means the geographic area identified on **Schedule 1**.

2. FRANCHISE RIGHTS

2.1. ~~2.1~~ Grant of License.

2.1.1. ~~2.1.1~~ We hereby grant to you, and you hereby accept, a non-exclusive license to use our Intellectual Property Rights, including the Licensed Marks and other features of the iNX System, during the Term to operate a Franchised Business and perform and deliver Authorized Services in the Territory, in strict accordance with this Agreement and the ~~Brand Standards~~ Manual, including the Terms of Use in **Schedule ~~9~~8**.

2.1.2. You understand and agree that we own all Account Data that is developed or generated because of your efforts in connection with your operation of the Franchised Business. In return, and solely for purposes of performing your obligations under this Agreement, we hereby award you a license to use the Account Data that is developed or generated due to your efforts.

2.1.3. ~~2.1.2~~ In accepting the award of rights, you agree at all times to (i) faithfully, honestly and diligently perform your obligations under this Agreement; (ii) continuously exert your best efforts to maximize the Billed Revenue that your Franchised Business generates by continually looking for opportunities to add new Accounts and expand the Scope of Work that you perform for ~~Account~~Accounts; and (iii) promote and enhance the reputation and goodwill associated with the iNX System. You understand and agree that your strict and punctual performance of all obligations in this Agreement and the ~~Brand Standards~~ Manual is a condition of this ~~franchise~~ license.

~~2.2 Limitations.~~

~~2.2.1 We grant you no rights other than the rights expressly stated in this Agreement.~~ Your use of the iNX System for any purpose, or in any manner, not permitted by this Agreement is a breach of this Agreement.

2.1.4. As a condition of the award of franchise rights, concurrently with the execution of this Agreement, you will execute the form of Collateral Assignment of Telephone Numbers, Email Addresses, and URLs attached to this Agreement as **Schedule 6**.

2.2. ~~2.2.2~~ Limitations. We grant you no rights other than the rights expressly stated in this Agreement. Nothing in this Agreement gives you (a) the right to sublicense the use of the iNX System or any portion or component of the iNX System to others~~.~~

~~2.2.3 Nothing in this Agreement gives you an~~; (b) any interest in iNX or any rights in or to the ~~right to participate in our business activities, investment, or corporate opportunities.~~

~~2.2.4 Nothing in this Agreement gives you any interest in our~~iNX Intellectual Property ~~Rights~~ (other than the limited license expressly granted by this Agreement~~.~~

~~2.2.5 We have the absolute right to select our franchisees. Nothing in this Agreement awards you any express or implied preferential~~); (c) any right of ~~any kind~~first refusal or other right to acquire an additional franchise for another geographic area or object to our award of franchise rights to others~~.~~ ~~Nothing in this Agreement confers any type of right of first refusal to purchase a new franchise for a territory that shares a common border with your Territory~~; or (d) the right to (i) engage in sales in any alternate trade channel including through the Internet; or (ii) share in our revenue from sales through any alternate channels of distribution.

2.3. ~~2.3~~ Your Territory.

2.3.1. ~~2.3.1~~ Subject to our reserved rights expressly stated in this Agreement, during the Term, we agree you will have the exclusive right to operate an iNX ~~janitorial and building~~commercial facility maintenance service business in the Territory using the iNX System. As a result, we will not operate, or grant another Network Member the right to operate, an iNX ~~janitorial and building~~commercial facility maintenance service business in the Territory using the iNX System during the Term. You may not offer to perform, or perform, Authorized Services outside of the Territory.

2.3.2. ~~2.3.2~~ You understand and agree that although the Territory on the Effective Date includes a population of at least 7,500 businesses according to the most recent ~~U.S. census~~ data on commercial building counts published by ~~the North American Industry Classification System (NAICS)~~Co-Star, or an equivalent database that we have chosen, the boundaries of your Territory will remain the same throughout the Term ~~despite~~, regardless of any increases or decreases in this population. In entering into this Agreement, you accept the risk that the population in the Territory may decline after the Effective Date.

2.4. ~~2.4~~ Our Reserved Rights in Your Territory. ~~2.4.1~~ We reserve all rights with respect to the Licensed Marks and the iNX System that ~~we do~~are not ~~award~~granted to you~~.~~

~~2.4.2 Nothing in~~ by this Agreement ~~limits our right to use all, or parts, of the iNX System for any purpose including our~~. We retain the right to engage in all activities that this Agreement does not expressly prohibit, including the following ~~activities in your Territory~~:

2.4.1. ~~2.4.2.1~~ We may establish a separate franchise program identified by the Licensed Marks offering cleaning and maintenance services exclusively for occupied residential properties, which is a property category that we exclude from the scope of Authorized Services. If we launch a separate occupied residential property franchise program, we do not have to offer you franchise rights for this program and may operate, or award franchise rights to someone else to operate, an iNX occupied residential property franchise business in your Territory.

2.4.2. ~~2.4.2.2~~ We may sell a line of iNX ~~brand~~-branded janitorial products for residential and commercial use directly to customers or to third-party retail outlets, online marketplaces, and through other trade channels in our sole discretion, including from locations in your Territory and to Accounts in your Territory.

~~2.4.2.2.1 If we engage in sales of iNX brand janitorial products, we will credit you with an amount equal to 5% of the Net Revenue From Supply Sales that we actually collect during an Accounting Month from the sale of iNX brand janitorial products to Accounts in your Territory. You acknowledge that you have no interest in amounts that Accounts may owe to us for iNX brand janitorial product sales for which we have not yet received payment; your sole interest is limited to 5% of the actual Net Revenue From Supply Sales that we collect from Accounts during an Accounting Month from the sale of iNX brand janitorial products to Accounts in your Territory.~~

~~2.4.2.2.2 The Franchise Income Statement Detail that we deliver to you will identify your share of the Net Revenue From Supply Sales, if any, that we have collected from Accounts in your Territory for the Accounting Month. We will apply this amount as a credit towards any fees and advances that you owe to us for the Accounting Month. Except as expressly provided in this Section, we have no obligation to share with you the revenue, income or profits that we earn from sales of iNX brand janitorial products in your Territory or elsewhere.~~

2.4.3. ~~2.4.2.3~~ We may use the Licensed Marks on merchandise like coffee mugs, hats and other articles of clothing, notepads and the like, and sell the merchandise to you and other Network Members and the general public. You may not sell these articles to the general public or prospective or existing Accounts, but you may give these items away free of charge to prospective and existing Accounts in your Territory as promotional items.

2.4.4. ~~2.4.3~~ We exclusively may offer, market, and sell Authorized Services to Enterprise Accounts, including to the branch locations, offices, business properties, and divisions (collectively, "**Branch Locations**") of an Enterprise Account in your Territory with which we have entered into an Account Contract. However, we will not perform or appoint another Network Member or a subcontractor to perform Authorized Services at an Enterprise Account's ~~branch locations, offices, business properties, or divisions~~Branch Locations in your Territory unless (a) you opt out of the Enterprise Account Program; or (b) the Enterprise Account ~~specifically asks~~requests us to reassign ~~it to another Network Member or to us or our Affiliate~~the Account Contract. Our decision to ~~substitute~~designate another Network Member or ~~us or our Affiliate at~~a subcontractor to service the Enterprise Account~~'s request is~~ in your Territory does not ~~in lieu of~~affect our right to terminate this Agreement in accordance with ~~the procedures for termination~~its terms if we determine that ~~the reason for the Enterprise Account's request for reassignment relates to your acts or omissions constituting a~~you are in breach of this Agreement.

2.5. ~~2.5~~ Improvements~~; Duty to Conform to~~ and Modifications.

2.5.1. ~~2.5.1~~ Any improvements, modifications or additions that we make to the iNX System, or that become associated with the iNX System, including ideas suggested or initiated by you, will inure to our benefit and instantly become our exclusive property and part of our Intellectual Property Rights. You hereby assign to us or our designee all rights conferred by Applicable Law in and to any improvements or works that you may create, acquire, or obtain in operating the Franchised Business. You agree that we may use, and authorize others to use, improvements that you suggest, initiate, or originate, without having to pay you any compensation. You understand and agree that nothing in this Agreement constitutes or may be construed as our consent or permission to your modifying the iNX System or any portion or component of the iNX System. Any modification that you desire to propose or make to the iNX System shall require our prior written consent.

~~2.5.2 Any goodwill that results from your use of the iNX System will inure to our exclusive benefit. This Agreement confers no goodwill or other interest in the iNX System except a limited license to use the iNX System during the Term subject to the terms and conditions in this Agreement. This provision shall not be construed to prevent you from receiving the proceeds on the sale of the Franchised Business if the sale is conducted in compliance with the requirements applicable to an Event of Transfer.~~

~~2.5.3 You understand and agree that we own all Account Data that is developed or generated because of your efforts. In return, we hereby award you a license to use the Account Data that is developed or generated due to your efforts solely for purposes of performing your obligations under this Agreement.~~

2.5.2. ~~2.5.4~~ You understand and agree that we may modify the iNX System and any of its components from time to time in our sole discretion ~~as often as, and in the manner that we determine in our sole discretion is necessary to best promote our Company and Network Members to the public~~. We will give you written notice of all changes ~~to the iNX System~~ either by supplements to the ~~Brand Standards~~ Manual or otherwise in ~~some other written or electronic communication~~writing or

electronically. You must, at your own cost and expense, promptly adopt ~~and~~all changes, use only those parts of the iNX System specified by ~~us as either mandatory or optional components of the~~ iNX ~~System~~, and promptly discontinue the use of ~~those~~any parts of the iNX System that ~~we direct are~~iNX directs to be discontinued. ~~You may~~Except as we direct, you must not change, modify~~,~~ or alter the iNX System ~~in~~or any ~~way, except as we direct~~portion or component thereof, or creating any derivative work based on any element of our Intellectual Property Rights.

2.5.3. ~~2.5.5~~ You recognize that modifications that we may make to the iNX System may necessitate that you make capital expenditures during the Term in amounts that we cannot forecast on the Effective Date. Nothing in this Agreement limits the frequency of changes or the cost of implementing changes that we may make to the iNX System during the Term. You understand and agree that we have no ability to identify with specificity the nature of future improvements or their expected cost, and you accept the risk that future improvements may be imposed that will require you to make significant capital expenditures in an amount that is unknown on the Effective Date and that you may not be able to amortize fully over the period of time then remaining in the Term.

2.6. Additional Programs and Services. In the future, we may expand the iNX System to include additional commercial facility maintenance programs and services as Authorized Services (for example, building maintenance, security, and landscaping services). You may be required to offer such additional services, and may need to purchase additional equipment and/or hire additional personnel with experience in those areas if your existing Management Group does not have the required expertise.

2.7. ~~2.6~~ Deviations from the iNX System. We may allow other Network Members to deviate from the iNX System in individual cases in the exercise of our sole discretion. You understand and agree that you have no right to object to any variances that we may allow to other Network Members, and have no claim against us for not enforcing the standards of the iNX System uniformly. You understand and agree that we have no obligation to waive, make any exceptions to, or permit you to deviate from, the uniform standards of the iNX System. Any exception or deviation that we allow you must be in writing and executed by us in order to be enforceable against us.

3. TERM AND RENEWAL

3.1. ~~3.1~~ Term. ~~This~~The initial term of this Agreement ("**Term**") begins on the Effective Date and ~~shall~~will expire without notice at the close of business 10 years ~~later~~after the Effective Date, unless this Agreement is sooner terminated in accordance with the procedures for termination.

3.2. ~~3.2~~ Renewal Term. Unless this Agreement is terminated for any reason before the last day of the Term (or the first Renewal Term), you will have two consecutive options to renew the franchise, each for a period of 10 years beginning on the next day after the last day of the expiring Term or first 10-year renewal term (each 10-year period is referred to as the "**Renewal Term**" and each option to renew is referred to as a "**Renewal Option**"). You understand that each Renewal Option is subject to the condition that we must be awarding ~~new~~ iNX franchises to new franchisees in the United States at the time when you are permitted to exercise the Renewal Option. If we are not awarding ~~new~~ iNX franchises to new franchisees in the United States at the time when you are permitted to exercise the unexercised Renewal Option, the Renewal Option shall be nullified as if it had never ~~was~~been awarded and this Agreement shall expire on the last day of the Term or the first Renewal Term, as ~~appropriate~~applicable.

3.3. ~~3.3~~ Conditions to Exercising Renewal Options. In order to exercise each Renewal Option, you must comply the following conditions:

3.3.1. ~~3.3.1~~ You must give us written notice of your election to renew (the "**Renewal Notice**") at least 9 months, but not more than 12 months, before the last day of the Term. A Renewal Option shall be cancelled if you do not timely and effectively exercise the Renewal Option. The second Renewal Option is automatically null and void upon cancellation of the first Renewal Option for any reason.

3.3.2. ~~3.3.2~~ Each Renewal Notice must be accompanied by payment of a non-refundable renewal fee ("**Renewal Fee**") equal to 40% of ~~$1,995~~our then-current Initial Franchise Fee.

3.3.3. ~~3.3.3~~ You may not be in default under this Agreement at the time you give us your Renewal Notice or on the first day of the applicable Renewal Term. Further, you must not have received more than 3 notices of default during any 24 Accounting Month period during the Term that is then expiring whether or not the notices relate to the same or to different defaults, and whether or not you timely cured each default.

3.3.4. ~~3.3.4~~ To exercise each Renewal Option, you must execute our then-current form of Franchise Agreement for ~~a 10 year term~~the Renewal Term, which shall supersede this Agreement in all respects except as follows: (i) you will not have the renewal rights set forth in our then-current Franchise Agreement, but shall instead have the renewal rights in this Agreement; (ii) you will not be required to pay the Initial Franchise Fee stated in the then-current Franchise Agreement, but shall instead pay the Renewal Fee; ~~and~~ (iii) you must complete any training that we then require Network Members exercising a Renewal Option to complete, instead of the initial training program that we then offer to new Network Members ~~before their Franchised Business' Business Start Date~~; and (iv) your General Manager and Operations Manager must be up to date with all mandatory skills certifications we then require for the Authorized Services you offer. You understand and agree that our then-current Franchise Agreement may be materially different from this Agreement, including requiring payment of additional or different fees to us.~~3.3.5~~ If you exercise a Renewal Option, the boundaries of your Territory will remain unchanged during the Renewal Term unless we mutually agree to change these boundaries in writing.

3.3.5. ~~3.3.6~~ You must execute and deliver a ~~mutual~~ general release, in form satisfactory to us, of any and all claims against us, our Affiliates and our respective officers, directors, shareholders, employees and agents.

3.4. ~~3.4~~ Ineffective Exercise of Renewal Option. Your failure to execute and deliver the then-current Franchise Agreement and release required by this Section within 30 days after we deliver them to you for execution shall be deemed an election by you not to exercise the Renewal Option. If you fail to satisfy any renewal condition in a timely manner, this Agreement will expire on the last day of the then-current Term or first Renewal Term without further notice from us; provided, however, you will remain obligated to comply with all provisions of ~~the then-applicable Franchise~~this Agreement that expressly, or by their nature, survive the ~~Effective Date of Termination or Expiration of this Agreement or the then-applicable Franchise~~expiration or termination of this Agreement.

3.5. ~~3.5~~ Extension.

3.5.1. If, when you deliver a Renewal Notice, we are ~~(i)~~ not ~~granting new~~offering iNX franchises to new franchisees in the United States, we may, in our sole discretion, offer to extend the terms and conditions of this Agreement for a period of our choosing, up to the length of the then-current Renewal Term. We may require you to pay an extension fee in an amount up to 40% of our then-current Initial Franchise Fee.

3.5.2. If, when you deliver a Renewal Notice~~; or (ii)~~, we are in the process of revising, amending or renewing our Franchise Disclosure Document or registration to sell franchises under Applicable Law and cannot lawfully offer you our then-current form of Franchise Agreement ~~when you deliver a Renewal Notice~~, we may, in our sole discretion, offer to extend the terms and conditions of this Agreement on a month-to-month basis following the expiration of the Term or first Renewal Term for a maximum period of 12 months. If, after 12 months, we still cannot lawfully offer you our then-current form of Franchise Agreement, ~~we will be deemed to have extended this Agreement for~~ the remainder of ~~the then-current Renewal Term. Nothing in this Section requires us to extend this Agreement unless~~and you then satisfy all of the conditions for exercising a Renewal Option, we may, in our sole discretion, offer to extend the terms and conditions of this Agreement for a period of our choosing, up to the remainder of the then-current Renewal Term.

4. ~~OUR~~iNX SERVICES

In addition to obligations stated elsewhere in this Agreement, we will provide you with the following services:

~~4.1 Enterprise Account Program.~~

~~4.1.1 We have designed the Enterprise Account Program to meet the requirements of Accounts with operations in multiple markets that desire (i) the delivery of a common set of Authorized Services across the Enterprise Account's offices, business properties, or divisions; and (ii) standardized prices, centralized billing, common delivery times and other standard processing requirements.~~

~~4.1.2 Your participation in the Enterprise Account Program is optional. By executing this Agreement, you are deemed to "opt into" the Enterprise Account Program. At any time during the Term, you may "opt out" of the Enterprise Account Program effective on no less than 60 days written notice to us. The effective date of your "opt out" notice shall be 60 days after your notice is deemed given to us in accordance with this Agreement unless your "opt out" notice specifies a later date.~~

~~4.1.2.1 An election to "opt in" means that you agree to perform the Scope of Work for each Enterprise Account with an office, property or division in your Territory with which we sign an Account Contract before the effective date of your "opt out" notice (if you serve one).~~

~~4.1.2.2 An election to "opt out" means that, after the effective date of your "opt out" notice, you have elected not to participate in the Enterprise Account Program for all Enterprise Accounts with which we execute into an Account Contract after the effective date of your "opt out" notice. Your "opt out" election will not cancel or modify any AAA entered into with us before the effective date of your "opt out" notice for a Scope of Work for an Enterprise Account with an office, property or division in your Territory.~~

~~4.1.2.3 We will not begin to offer you Enterprise Accounts until after the first 60 days from the Business Start Date so that you have the opportunity to "opt out" of the Enterprise Account Program.~~

~~4.1.3 The following terms and conditions apply to the Enterprise Account Program on the Effective Date of this Agreement with the understanding that we may eliminate the Enterprise Account Program or modify it through updates to the Brand Standards Manual:~~

4.1.3.1 Once we enter into an Account Contract with a firm that we identify as an Enterprise Account, we have the exclusive right to offer, market, and sell Authorized Services to all of the branch locations, offices, business properties, and divisions that the Enterprise Account designates. You may not offer, market, or sell Authorized Services to the Enterprise Accounts' local locations, offices, properties or divisions in your Territory without our prior written consent. We alone determine which Accounts qualify as Enterprise Accounts. We will identify current Enterprise Accounts on the Network Portal and update this list as we add new Enterprise Accounts. You are responsible for monitoring updates to the Network Portal to identify all current Enterprise Accounts.

4.1.3.2 Like all Accounts, we negotiate the price, delivery methods and other material terms of sale under which all Network Members will deliver Authorized Services to the branch locations, offices, business properties, and divisions of an Enterprise Account without any duty to consult with you or other Network Members.

4.1.3.3 You must sign and return to us an AAA for each Enterprise Account within 24 hours days after we provide you with a copy of the Account Contract that we have executed with an Enterprise Account that has business properties in your Territory, in order to memorialize your agreement to perform a Scope of Work under the specific material terms that the AAA identifies including pricing terms. However, at no time will your aggregate Billed Revenue from all Enterprise Accounts during an Accounting Month exceed 10% of your aggregate Billed Revenue from all Accounts for the same Accounting Month.

4.1.3.4 Although we have the exclusive right to offer, market and sell Authorized Services to all branch locations, offices, business properties, and divisions of an Enterprise Account with which we have entered into an Account Contract, we will only undertake to perform, or allow another Network Member to perform, Authorized Services for an Enterprise Account's branch locations, offices, business properties, and divisions in your Territory if the Enterprise Account notifies us that it does not want to work with you for any reason. The AAA that you sign with us for an Enterprise Account will allow us to reassign the Enterprise Account's locations in your Territory to another Network Member or perform the Authorized Services ourselves effective immediately once we give you written notice that the Enterprise Account has requested reassignment for any reason or for no reason (i.e., with or without cause).

4.1.3.5 An Enterprise Account's request for reassignment does not automatically constitute your failure to participate in the Enterprise Account Program or breach of this Agreement. However, the Enterprise Account's request for reassignment does not preclude us from investigating the reason for its request. If we determine that the reason for the Enterprise Account's reassignment request relates to acts or omissions constituting a breach of this Agreement, we may terminate this Agreement in accordance with the procedures for termination.

4.1.3.6 We will use our reasonable business judgment in pursuing collection from Enterprise Accounts of outstanding invoices, but we are not obligated to (i) allocate payments that we collect from an Enterprise Account in a specific manner or in proportion to the outstanding receivable owed to each Network Member for Authorized Services rendered; or (ii) initiate collection proceedings against an Enterprise Account.

4.1.3.7 We are not liable to you for any bad debt or nonpayment by an Enterprise Account. As we may do in pursuing collection of unpaid Billed Revenue from non-Enterprise Accounts, we may charge you for our collection costs in pursuing collection of unpaid Billed Revenue from an Enterprise Account in an amount not to exceed 85% of your share of the Billed Revenue to the Enterprise Account.

4.1.3.8 We do not guaranty that during each Accounting Month or any other period during the Term (i) we will offer you a minimum number of AAAs for Enterprise Account locations in your Territory; (ii) each AAA for an Enterprise Account location in your Territory will provide for a minimum amount of Billed Revenue for the Scope of Work described in the AAA; or (iii) you will receive a minimum amount of Collected Revenue on account of the Scope of Work performed for Enterprise Account locations in your Territory.

4.1.3.9 If you are a party to an AAA with an Account with respect to its branch locations, offices, business properties, or divisions in your Territory and that Account later becomes an Enterprise Account, you understand and agree that your existing AAA with that Account will automatically terminate and be replaced by a new AAA requiring your execution that conforms to the terms and conditions of our master Account Contract with the new Enterprise Account. The effective date of termination of your AAA is the date that we add the Enterprise Account to our Network Portal. In entering into this Agreement, you accept the risk that any Account that is the subject of an AAA that you enter into with us may in the future become an Enterprise Account. If this occurs, you will have no claim against us based on the termination of your AAA or the offer of a materially different AAA for the Enterprise Account's branch locations, offices, business properties, and divisions in your Territory.

4.1. 4.2 Accounts.

4.1.1. ***Lead Generation.***

4.1.1.1. 4.2.1 We will engage in lead generation and marketing activities to identify prospective Accounts in your Territory, but do not guarantyguarantee that during an Accounting Month or any other period during the Term (i) we will offer you a minimum number of AAAs; (ii) each AAA that we offer you will provide for payment of a minimum amount of Billed Revenue for the Scope of Work described in the AAA; or (iii) you will receive a minimum amount of Collected Revenue.

4.2.2 We will give you written notice when we identify a new prospective Account in your Territory that we believe meets our minimum criteria so that you can meet with and complete a First Time Consult of the prospective Account. You must complete and deliver to us a written First Time Consult report for each prospective Account in your Territory immediately after you complete the First Time Consult interview and, in all cases, within 24 hours following receipt of our notice identifying that prospect. You understand and agree that the prompt completion of a First Time Consult and written report is essential to the process of generating new business and preserving the reputation of the iNX System for customer-centric services, and that 24 hours is a reasonable time period in which to complete the First Time Consult interview and deliver the First Time Consult report to us.

4.2.3 If your First Time Consult report concludes that the prospective Account would not be a good fit for the Franchised Business, we will not proceed further with the prospective Account. Your First Time Consult report must specify the reasons for this conclusion. Your rejection of more than 10% of the prospective Accounts that we present to you in any 13-week period shall be grounds permitting us to terminate this Agreement.

4.2.4 If your First Time Consult report concludes that you believe the prospective Account would be a good fit for the Franchised Business, we alone will negotiate the terms of the Account Contract with the Account.

4.2.5 You agree that we alone may decide if we will offer a prospective Account an Account Contract based on our own evaluation of the prospective Account's business reputation and

~~financial condition after taking into consideration your First Time Consult report. We are not obligated to offer a prospective Account an Account Contract based solely on your conclusion that the prospective Account would be a good fit for your Franchised Business.~~

~~4.3 Your Lead Generation Activities.~~

4.1.1.2. ~~4.3.1~~ You may engage in lead generation activities to identify and recruit new Accounts in your Territory subject to the following conditions: (i) if we identify a preferred lead generation service provider, you must engage our designated service provider and pay any fees that the ~~third party~~service provider charges for its services either to us (including by deduction on your monthly Franchise Revenue Statement) or directly to that firm as we direct; (ii) you must refer all leads to our Sales department, which will contact the lead, conduct discovery on the Account, and set the First Time Consult appointment for you; (iii) the only services that you may offer to prospective Accounts that you originate are services within the scope of Authorized Services as we then define Authorized Services in the ~~Brand Standards~~ Manual; (~~iii~~iv) you must complete a First Time Consult for the prospective Account and submit a report that identifies the proposed Scope of Work and indicates ~~your willingness~~whether you are willing to enter into an AAA with us for that Scope of Work; (~~iv~~v) you must inform the prospective Account that you lack authority to enter into an Account Contract with them and that they will be required to enter into an Account Contract with us for an agreed-upon Scope of Work if we approve their qualifications; and (~~v~~vi) you ~~must turn the prospective lead over to us and~~ agree that we, alone, have the sole right to decide if we will offer the prospective Account an Account Contract based on our own evaluation of the prospective Account's business reputation and financial condition after taking into consideration your First Time Consult report.

4.1.1.3. ~~4.3.2~~ You have no right to solicit prospective Accounts that the ~~Brand Standards~~ Manual identifies as an Enterprise Account or that ask you to perform Authorized Services outside of your Territory.

4.1.1.4. ~~4.3.3~~ You understand and agree that we have the sole right to negotiate prices and payment terms for Authorized Services with any leads that you generate. You may not enter any type of commitment that purports or attempts to bind us to deliver Authorized Services to a lead that you generate for a particular price or on particular payment terms.

4.1.1.5. ~~4.3.4~~ If we are able to reach a preliminary agreement regarding an Account Contract with a prospective Account that you propose, we will offer you an AAA for the prospective Account in accordance with this Agreement. If your efforts are primarily responsible for introducing us to a prospective Account with which we have no prior relationship, and the prospective Account signs an Account Contract with us and you sign a corresponding AAA, we will discount the Business Generation Fee payable to us for the new Account by 10% to reflect your efforts in making the introduction. If your efforts are more significant in helping us develop a new Account Contract, we will discount the Business Generation Fee payable for the corresponding AAA by 50%. We alone decide if your involvement in helping us procure a new Account Contract merits the 10% or 50% discount, and our decision is final and binding on you.

4.1.2. ***Account Sales and Pricing.***

4.1.2.1. We will give you written notice when we identify a new prospective Account in your Territory that we believe meets our minimum criteria so that you can meet with and complete a First Time Consult with the prospective Account. You must complete and deliver to us a written FTC report for each prospective Account in your Territory immediately and, in all cases, within

24 hours after you complete the First Time Consult interview. You understand and agree that the prompt completion of a First Time Consult and written report is essential to the process of generating new business and preserving the reputation of the iNX System for customer-centric services, and that 24 hours after the First Time Consult interview is a reasonable time period to complete and deliver the FTC report to us.

4.1.2.2. If your FTC report concludes that the prospective Account would not be a good fit for the Franchised Business, we will not proceed further with the prospective Account. Your FTC report must specify your reasons for this conclusion. Your rejection of more than 10% of the prospective Accounts that we present to you in any 13-week period shall be grounds permitting us to terminate this Agreement.

4.1.2.3. If your FTC report concludes that the prospective Account would be a good fit for the Franchised Business, we alone will negotiate the terms of the Account Contract with the Account.

4.1.2.4. You agree that we alone may decide if we will offer a prospective Account an Account Contract based on our own evaluation of the prospective Account's business reputation and financial condition after taking into consideration your First Time Consult report. We are not obligated to offer a prospective Account an Account Contract based solely on your conclusion that the prospective Account would be a good fit for your Franchised Business.

4.1.3. ~~4.4~~ ***Account Acceptance Agreement and Account Contract.***

4.1.3.1. ~~4.4.1~~ Before we enter into an Account Contract with a prospective Account, we will share a copy of the proposed Account Contract with you together with the proposed AAA. The proposed AAA will memorialize your agreement to perform a Scope of Work on the financial terms in the Account Contract if the Scope of Work and other material terms in the Account Contract that the Account ultimately signs are substantively identical to the proposed Account Contract and AAA that we present to you. You ~~and we~~ will sign a separate AAA for each Account following this same procedure. Your ~~execution~~approval of the AAA ~~signifies~~confirms your agreement to ensure that the Scope of Work that you perform at the Account's place of business is completed in a manner that satisfies our obligations under the Account Contract and adheres to the quality standards of the iNX System. You must sign the proposed AAA as soon as possible and, in all cases, within 24 hours of receipt of the proposed AAA. Your failure to sign the AAA within 24 hours shall be deemed a rejection of the Account. You understand and agree that for the sake of customer satisfaction and retention it is essential that you respond promptly and that 24 hours is a reasonable time period in which to accept the AAA.

4.1.3.2. ~~4.4.2~~ Once you sign an AAA for a particular Account, we will present the prospective Account with an Account Contract on the same substantive terms and conditions as the AAA between you and us. You are not a party to the Account Contract that we execute with an Account.

4.1.3.3. ~~4.4.3~~ We will notify you if an Account requests any Material Scope of Work Changes to the Account Contract that we present to them as a condition of signing the Account Contract. If the prospective Account informs us that it will not execute the proposed Account Contract unless we agree to specific Material Scope of Work Changes, we will ~~give~~provide you ~~an opportunity to amend the~~with a revised AAA ~~to incorporate~~reflecting the ~~proposed~~ Material Scope of Work Changes. Your failure to notify us within 4 hours after receiving ~~our notice identifying the~~an amended AAA

proposing Material Scope of Work Changes shall signify your approval ~~of the Material Scope of Work Changes~~, in which case ~~you and we will amend~~ the AAA ~~in writing pertaining to the prospective Account~~will be deemed amended. You understand and agree that for the sake of customer satisfaction and retention it is essential that you respond promptly to proposed Material Scope of Work Changes and that 4 hours is a reasonable time period in which to respond.

4.1.3.4. ~~4.4.4~~ The effective date of each AAA is the same effective date as the corresponding Account Contract. We will notify you as soon as each Account Contract becomes effective so that you can add the Account to your Franchised Business' work schedule and prepare to begin work at the Account's business premises on the terms of the Account Contract. ~~If we fail to notify you by the end of 30 days from the date that you sign an AAA that a particular Account Contract has becomes effective, the AAA for that Account Contract shall automatically become null and void at the end of the 30 day period.~~

4.1.4. ~~4.5~~ ***Material Scope of Work Changes to an Existing Account Contract.***

4.1.4.1. ~~4.5.1~~ Under the terms of the AAA that you sign, you agree that, once an Account Contract becomes effective, we and an Account may modify the Account Contract at any time and for any reason. For example, we and the Account may agree to change the original Scope of Work in a manner that results in changes to service requirements, price, or payment terms. We will notify you about all changes reasonably promptly so that you may adjust your work schedules and business plans. Our notification will be in writing (for example, by email, text message, or an instant messaging system).

4.1.4.2. ~~4.5.2~~ You agree that all changes that we and the Account agree to make to an existing Account Contract that do not qualify as Material Scope of Work Changes~~, as defined in the preceding section,~~ will automatically become part of the AAA following written notice from us (which may be by email) describing the change.

4.1.4.3. ~~4.5.3~~ If the nature of the changes that we and the Account agree to make to an existing Account Contract qualify as Material Scope of Work Changes, we will present you with ~~an amendment to the AAA and give you the opportunity to agree to~~a revised AAA reflecting the Material Scope of Work Changes. Your failure to notify us ~~in writing~~ within 4 hours after receiving an amended AAA ~~amendment~~ proposing Material Scope of Work Changes shall signify ~~that you agree to the proposed Material Scope of Work Changes~~your approval, in which case ~~you and we will amend~~ the AAA ~~in writing pertaining to the prospective Account~~will be deemed amended. You understand and agree that for the sake of customer satisfaction and retention it is essential that you respond promptly to proposed Material Scope of Work Changes and that 4 hours is a reasonable time period in which to respond.

4.1.5. ~~4.6~~ ***Billing and Collection Activities; Franchise*** ~~Income~~***Revenue Statement*** ~~Detail~~**.**

4.1.5.1. ~~4.6.1~~ Each AAA that you sign for a specific Account will specify ~~an effective date,~~the Account Volume, ~~fulfillment period, terms of financing, and~~ Scope of Work, and payment terms for the Business Generation Fee. Failure to perform the Scope of Work specified in an AAA is a default under this Agreement.

4.1.5.2. ~~4.6.1.1~~ We do not ~~guaranty~~guarantee that an Account will pay the full Billed Revenue that we invoice the Account for the Scope of Work that you perform. However, we will credit you for 100% of the ~~Collected~~Billed Revenue ~~paid by~~for an Account less the sum of the fees, advances and other payments due to us under this Agreement.

4.6.1.2 Under the terms of each AAA, you agree that we alone exclusively control all Account billing and collection decisions even for those Accounts for which we credit you for making the introduction, subject to adjustments using the reconciliation procedure in Section 4.1.5.4 below.

4.1.5.3. 4.6.2 Within 5 days after the end of each Accounting Month, we will send you a "Franchise IncomeRevenue Statement Detail" for each AAA thenAccount in effectyour Territory that identifiesyou are then servicing, identifying (i) the specific servicesScope of Work that the Franchised Business performed for anthe Account during the prior Accounting Month according to the information that you have entered into the enterprise resource applications; (ii) the Billed Revenue that we have invoiced the Account for thesethose services; and (iii) the calculation of how much we will pay you for the services that you performed to the Account for the Accounting Month according to, based on the net difference between the Billed Revenue per Account and the sum of all fees, advances and other payments due to us for the Accounting Month in accordance with this Agreement.

4.1.5.3.1. 4.6.3 By no later than 45 days after the end of each Accounting Month, we will remit payment to you of the amount shown in the Franchise IncomeRevenue Statement Detail, net of any advances and other amounts then owed to us by you.

4.1.5.3.2. 4.6.4 Unless you notify us of an error in the Franchise IncomeRevenue Statement Detail within 5 days afterby the 15th day of the month in which you receive it, you are deemed to approve all information in the Franchise IncomeRevenue Statement Detail.

4.1.5.4. 4.6.5 For eachIf there is a discrepancy between Billed Revenue and Collected Revenue with respect to any Account, approximately 90 days from the date appearing on our monthly invoice to the Account, we will prepare and send you a Reconciliation Statement for the Accounting Month to "true up" Billed Revenue and Collected Revenue. When a Reconciliation Statement shows that Collected Revenue for thean Accounting Month is less than Billed Revenue for that Accounting Month, the Reconciliation Statement will provide a calculation of your corrected net payment for the Accounting Month including a breakdown of (i) the excess Billed Revenue that we have overpaid to you for the Accounting Month, which we may deduct fromon your Collectednext Franchise Revenue Statement; and (ii) the credit due to you for the extra Service Fees and Special ProjectNon-Recurring Service Fees that you previously paid to us on the higher Billed Revenue, (which we will apply as a credit to reduce the excess Billed Revenue). You must repay us the amount by thatwhich (i) exceeds (ii), either (x) within 5 days after you receive the Reconciliation Statement; or (y) by deduction on your next Franchise Revenue Statement. At your request, we may, in our sole discretion, agree to finance some or all of the excess Billed Revenue, less any credit, in up to 12 equal monthly installments with 10% annual interest if you sign our form of promissory note.4.6.5.1 If an Account later pays us the additional amount that it owes to us for the Accounting Month in question, we will credit thisthe payment we receive (net of any fees for collections) to the then-outstanding balance due to us under the promissory note, (but will not refund any interest that you have already paid to us under the note) and, if the payment satisfies the amounts due under the promissory note, will credit any excess on your next Franchise Revenue Statement.

4.6.5.2 Although we retain the sole right to make collections decisions, we will confer with you for input regarding collection matters.

4.1.5.5. 4.6.6 We retainmay in our discretion consult with you to obtain your input on any billing and collections matters affecting the Accounts you service. However, under the terms of each AAA (even for Accounts with respect to which you generated the original lead), you agree

that we alone in our sole discretion ~~over~~control all Account billing and collection decisions, including whether to initiate a collection action against a delinquent Account or terminate the Account Contract for nonpayment. You acknowledge that we have a mutual interest in receiving timely payment of the full amount of Billed Revenue from Accounts. We may deduct our reasonable collection costs from your Collected Revenue. Your share of our reasonable collection expenses will not exceed ~~85%~~your share of Billed Revenue due and payable by an Account to us. ~~Since our fees and repayment of advances to you depend on an Account's timely payment, you acknowledge that we have a mutual interest in receiving timely payment of the full amount of Billed Revenue from Accounts for which you perform a Scope of Work under an AAA.~~

4.1.6. ***Enterprise Account Program.***

4.1.6.1. We have designed the Enterprise Account Program to meet the requirements of Accounts with operations in multiple markets that desire (i) the delivery of a common set of Authorized Services across the Enterprise Account's Branch Locations; and (ii) standardized prices, centralized billing, common delivery times and other standard processing requirements.

4.1.6.2. Your participation in the Enterprise Account Program is optional. By executing this Agreement, you are deemed to "opt in" to the Enterprise Account Program. At any time during the Term, you may "opt out" of the Enterprise Account Program effective on no less than 60 days written notice to us. The effective date of your opt-out notice shall be 60 days after your notice is deemed given to us in accordance with this Agreement unless your opt-out notice specifies a later date.

4.1.6.2.1. Choosing to remain in the opt-in status means that you agree to perform the Scope of Work at the contract price that we have agreed with each Enterprise Account with one or more Branch Locations in your Territory with which we sign an Account Contract before the effective date of your opt-out notice (if you serve one).

4.1.6.2.2. An election to opt out means that, after the effective date of your opt-out notice, you have elected not to participate in the Enterprise Account Program for all Enterprise Accounts with which we execute into an Account Contract after the effective date of your opt out notice. Your election will not cancel or modify any AAA entered into with us for an Enterprise Account before the effective date of your opt-out notice.

4.1.6.2.3. We will not begin to offer you Enterprise Accounts until after the first 60 days from the Business Start Date so that you have the opportunity to opt out of the Enterprise Account Program.

4.1.6.3. The following terms and conditions apply to the Enterprise Account Program on the Effective Date of this Agreement, with the understanding that we may eliminate the Enterprise Account Program or modify it through updates to the Manual:

4.1.6.3.1. Once we enter into an Account Contract with an individual or entity that we identify as an Enterprise Account, we have the exclusive right to offer, market, and sell Authorized Services to all of the Branch Locations that the Enterprise Account designates. You may not offer, market, or sell Authorized Services to the Enterprise Accounts' Branch Locations in your Territory without our prior written consent. We alone determine which Accounts qualify as Enterprise Accounts. We will identify current Enterprise Accounts on the Network Portal and update this list as we add new Enterprise Accounts. You are responsible for monitoring updates to the Network Portal to identify all current Enterprise Accounts.

4.1.6.3.2. Like all Accounts, we negotiate the price, delivery methods and other material terms of sale under which all Network Members will deliver Authorized Services to the Branch Locations of an Enterprise Account without any duty to consult with you or other Network Members.

4.1.6.3.3. Within 24 hours days after we provide you with a copy of the Account Contract that we have executed with an Enterprise Account with Branch Locations in your Territory, you must (i) sign and return to us an AAA for the Enterprise Account; and (ii) designate your payment method for the Business Generation Fee, if one is associated with the Enterprise Account.

4.1.6.3.4. Although we have the exclusive right to offer, market and sell Authorized Services to all Branch Locations of an Enterprise Account with which we have entered into an Account Contract, we will only undertake to perform, or allow another Network Member to perform, Authorized Services for an Enterprise Account's Branch Locations in your Territory if the Enterprise Account notifies us that it does not want to work with you for any reason. The AAA that you sign with us for an Enterprise Account will allow us to reassign the Enterprise Account's locations in your Territory to another Network Member or perform the Authorized Services ourselves effective immediately once we give you written notice that the Enterprise Account has requested reassignment for any reason or for no reason (i.e., with or without cause).

4.1.6.3.5. An Enterprise Account's request for reassignment does not automatically constitute your failure to participate in the Enterprise Account Program or breach of this Agreement. However, the Enterprise Account's request for reassignment does not preclude us from investigating the reason for its request. If we determine that the reason for the Enterprise Account's reassignment request relates to acts or omissions by you that constitute a breach of this Agreement, we may terminate this Agreement in accordance with the procedures for termination.

4.1.6.3.6. We will use our reasonable business judgment in pursuing collection from Enterprise Accounts of outstanding invoices, but we are not obligated to (i) allocate payments that we collect from an Enterprise Account in a specific manner or in proportion to the outstanding receivable owed to each Network Member for Authorized Services rendered; or (ii) initiate collection proceedings against an Enterprise Account.

4.1.6.3.7. We are not liable to you for any bad debt or nonpayment by an Enterprise Account. As we may do in pursuing collection of unpaid Billed Revenue from non-Enterprise Accounts, we may charge you for our collection costs in pursuing collection of unpaid Billed Revenue from an Enterprise Account in an amount not to exceed your share of the Billed Revenue invoiced to the Enterprise Account.

4.1.6.3.8. We do not guarantee that during each Accounting Month or any other period during the Term (i) we will offer you a minimum number of AAAs for Enterprise Account locations in your Territory; (ii) each AAA for an Enterprise Account location in your Territory will provide for a minimum amount of Billed Revenue for the Scope of Work described in the AAA; or (iii) you will receive a minimum amount of Collected Revenue on account of the Scope of Work performed for Enterprise Account locations in your Territory.

4.1.6.3.9. If you are a party to an AAA with an Account with respect to its Branch Locations in your Territory and that Account later becomes an Enterprise Account, you understand and agree that your existing AAA with that Account will automatically terminate and be

replaced by a new AAA requiring your execution that conforms to the terms and conditions of our master Account Contract with the new Enterprise Account. The effective date of termination of your AAA is the date that we add the Enterprise Account to our Network Portal. In entering into this Agreement, you accept the risk that any Account that is the subject of an AAA that you enter into with us may in the future become an Enterprise Account. If this occurs, you will have no claim against us based on the termination of your AAA or the offer of a materially different AAA for the Enterprise Account's Branch Locations in your Territory.

4.1.6.3.10. We will attempt to generate relationships with prospective Enterprise Accounts and administer the Enterprise Account Program. However, you acknowledge and agree that you are entering into this Agreement with the understanding that we make no representation or guarantee that we will offer you any AAAs for Enterprise Account locations in your Territory.

4.2. ~~4.7~~ Initial Training.

4.2.1. ~~4.7.1~~ Immediately following the Effective Date of this Agreement, we will mutually schedule both the "virtual streaming" classroom and job-site "field" portions of our initial training program that we offer to new Network Members on the Effective Date, which will start within the first ~~60~~120 days after the Effective Date. We will designate the location for the training days conducted at job sites, which may require overnight travel by your personnel at your expense.

4.2.2. ~~4.7.2 You~~Except with our approval in our sole discretion, you may enroll ~~only individuals~~ in our initial training program only individuals who are a Primary Owner or the designated General Manager or Operations Manager of the Franchised Business. At least one of the individuals whom you enroll in our initial training program before the Business Start Date must be your designated General Manager and another person must be your designated Operations Manager. Unless you obtain our prior written approval, (i) the designated General Manager and Operations Manager must be different individuals; and (ii) the designated Operations Manager may not own an interest in the Franchisee Business Entity. We do not impose any tuition or training fee in connection with delivering the initial training program to the Primary Owner, General Manager, and Operations Manager of the Franchised Business before the Business Start Date, but may charge our then-current training fee if we approve your enrollment of additional individuals.

4.2.3. ~~4.7.3~~ After the Business Start Date, you may request permission to enroll additional individuals in our then-current initial training program in order to qualify them as a General Manager, Assistant General Manager, Operations Manager, or Assistant Operations Manager. Enrollment will be scheduled at a mutually convenient time subject to our other training commitments and, as a condition to enrollment, you must pay our then-current per person training fees in accordance with this Agreement.

4.2.4. ~~4.7.4~~ We may modify our initial training program at any time without prior notice to you including by adding, deleting, shortening or lengthening modules; changing the method of delivering instruction; changing the location for field training; changing curriculum content; replacing or adding instructors; increasing the training fees payable to enroll individuals in our initial training program after the Business Start Date; and designating different modules of our initial training program as mandatory or optional.

4.2.5. ~~4.7.5~~ No person will be allowed to enroll in our initial training program unless they sign our form of Confidentiality and Non-Competition Agreement.

4.2.6. ~~4.7.6~~ You are entirely responsible for the salaries and travel expenses of your ~~Primary Owner, General Manager and Operations Manager~~Management Group and any other permitted trainees to ~~complete~~attend our initial training program, including transportation, lodging, food, and other personal charges during the entire period of time that they travel to and attend our initial training program. Furthermore, you understand and agree that we will not pay compensation for any services performed by trainees during our initial training program.

4.2.7. ~~4.7.7~~ Your Primary Owner, ~~Designated~~General Manager and Operations Manager must each complete our initial training program ~~before the Business Start Date~~ to our satisfaction before we will begin recruiting and marketing activities to identify prospective Accounts in your Territory. To signify the successful completion of our initial training program by these individuals, we will issue each one a written completion certificate. Our evaluation of an individual's performance during the initial training program and determination that they have satisfactorily completed our initial training program requirements does not constitute a warranty, ~~guaranty~~guarantee, or endorsement by us of the individual's skills, performance ability or business acumen. We have no responsibility for the operating results of the Franchised Business or the performance of your ~~Primary Owners, General Manager, Operation Manager~~Management Group or other employees or agents.

4.3. ~~4.8~~ Continuing Education.

4.3.1. ~~4.8.1~~ After the Business Start Date, we may periodically offer continuing education programs that utilize different delivery formats, including offering live instruction at the Annual Conference, remote computer-based tutorials, and field training, and require that members of your ~~Primary Owner, General Manager and Operations Manager at the time~~Management Group complete designated courses or training to our satisfaction at your sole expense in order to retain their qualification as General Manager ~~and~~, Operations Manager ~~designation~~, Assistant General Manager, or Assistant Operations Manager (as applicable). However, we will not require that the members of your ~~Primary Owner, General Manager and Operations Manager~~Management Group each complete more than 5 days of mandatory live, in-person training per year, including time spent at an Annual Conference. There is no limit on the annual number of hours of remote computer-based training that we may require ~~that~~the members of your ~~Primary Owner, General Manager and Operations Manager each complete annually~~Management Group to complete.

4.3.2. You may be required by Applicable Law to obtain and maintain in force other certifications or licenses related to the operation of the Franchised Business. You are solely responsible for completing any training program and application process involved in obtaining all such certifications and licenses, including payment of any associated fees.

4.3.3. ~~4.8.2~~ In the future, we may also develop specific skills certification programs in the delivery of premium ~~janitorial and building~~commercial facility maintenance services that meet specific industry standards. We may designate certain skills certificates as optional and others as mandatory for your ~~General Manager and Operations Manager~~Management Group, in our sole discretion, depending on our future marketing activities, competition in your market area, and the specific industries that our marketing targets. To secure a specific skills certificate, you must enroll your ~~General Manager and Operations Manager~~Management Group in the additional training programs that we designate, which we or a third party may deliver, and your ~~General Manager and Operations Manager~~Management Group must each complete the program to our satisfaction. In some cases, qualifying for a skills certificate may require that you invest in specific equipment. We will provide you with a reasonable amount of time to complete and secure the mandatory skills certifications that we designate. To maintain certain certifications, your ~~General Manager and Operations Manager~~ Management Group may need to submit

periodically to testing or pass other recertification conditions. You bear all costs to qualify and maintain optional and mandatory skills certifications and for the salaries and travel expenses of your ~~personnel~~Management Group during the time they spend to secure specific skills certificates. The time that it takes your personnel to secure specific skills certificates (whether optional or mandatory) is excluded from the limit on the maximum number of mandatory in-person training days per year.

4.4. ~~4.9~~ Ongoing Consultation and Advice.

~~4.9.1 At your request, we will assign a member of our management team to work with you to help you evaluate potential General Manager and Operations Manager candidates in exchange for your payment of our then-current hourly Interview and Testing Services Support Fee in the amount set forth in the Brand Standards Manual. By offering this service, we will not make or approve your hiring decisions.~~

4.4.1. ~~4.9.2~~ In addition to undertaking lead generation activities in your Territory, we will provide consultation and advice in response to your inquiries about specific administrative and operating issues that you bring to our attention. We have sole discretion to determine the length and method for communicating our consultation or advice, which may differ in duration or from the methods used for other Network Members and that we may deliver by telephone, electronic communication, or in person.

4.4.2. ~~4.9.3~~ After the Business Start Date, you may request in-person consultation assistance at one or more locations in your Territory from one of our representatives with the understanding that nothing in this Agreement obligates us to furnish assistance that cannot be delivered by remote means (for example, ~~but~~by electronic communication or by telephone). If we agree to furnish in-person assistance at your request at a mutually agreed-upon location in your Territory that requires our representative to travel more than one hour each way to reach the agreed-upon location (based on the representative's actual place of departure), you must pay us the following sums: (i) ~~a~~our then-current daily fee ~~of~~(currently $500 per person for up to 8 hours of time per day spent per our representative without proration for less than 8 hours), which we may increase by up to 10% annually on no less than 30 days' written notice; (ii) reimbursement of our reasonable travel expenses, including expenses for air and ground transportation, lodging, meals, and miscellaneous travel-related personal charges; and (iii) an amount equal to one-half of the then-current per person daily fee for each travel day that our representative spends more than one hour traveling to or from the agreed-upon meeting place and the representative's actual place of departure. ~~You must pay 100% of the then-current daily fee before our representative begins travel to the mutually agreed-upon location~~We will include applicable daily fees and ~~pay 100% of the~~ travel expenses ~~incurred by us in delivering in-person assistance within 30 days of invoice~~on your next Franchise Revenue Statements.

4.5. ~~4.10~~ Approved Service Provider for HR Services.

4.5.1. ~~4.10.1~~ Before the Business Start Date and throughout the remainder of the Term, you must engage the services of a third-party ~~services~~service provider approved by us in writing ("**HR Provider**") to handle the specific human resources and workers compensation insurance services that we identify in the ~~Brand Standards~~ Manual (which we collectively refer to in this Agreement as "**HR Services**"). Nothing in this Agreement limits or restricts your right to outsource to the ~~approved third-party services provider~~HR Provider that we designate from time to time.

4.5.2. ~~4.10.2~~ We will recommend at least one independent ~~third-party services provider~~HR Provider with which we have negotiated standard service terms for some or all HR Services

for the benefit of all Network Members. Through updates to the ~~Brand Standards~~ Manual, we may revoke our approval of a previously recommended ~~third-party services provider~~HR Provider for any reason and recommend a different ~~third-party services provider. If you have elected to engage a third-party services provider that we no longer designate or recommend for specific HR Services~~HR Provider. In this instance, we will allow you 30 days after we implement ~~this~~the change to engage a new ~~third-party services provider that we approve~~HR Provider and complete the engagement documents ~~that~~required by the new ~~third-party services provider requires~~HR Provider.

4.5.3. ~~4.10.3~~ Our recommendation or designation of ~~a third-party services provider for~~an HR ~~Services~~Provider does not make us liable for the ~~third-party services provider~~HR Provider's advice nor constitute a ~~guaranty~~guarantee or warranty that the ~~third-party services provider~~HR Provider will perform HR Services in compliance with Applicable Law, in a timely manner, or in accordance with the contract ~~that~~between you and the ~~third-party services provider execute~~HR Provider. In all cases, you are solely responsible for complying with and enforcing the terms of your agreement with the ~~third-party services provider~~HR Provider.

4.5.4. ~~4.10.4~~ You understand and agree that your engagement of a ~~third-party services provider~~HR Provider to provide ~~designated~~ HR Services does not relieve you of liability under Applicable Law as the employer of record of your employees or result in our becoming a co-employer (with you or the ~~third-party services provider~~HR Provider) of your employees. Your indemnity obligations in this Agreement include claims, expenses, or liabilities that we incur or suffer on account of any acts or omissions by the ~~third-party services provider that you engage.~~

~~4.11 Enterprise Account Program. We will attempt to generate relationships with prospective Enterprise Accounts and administer the Enterprise Account Program. However, you enter into this Agreement with the understanding that we make no representation that we will offer you any AAAs for Enterprise Account locations in your Territory~~HR Provider.

4.6. ~~4.12~~ Technology Support. In exchange for your payment of the technology fees that we describe in this Agreement, we will furnish you with a subscription to (i) the specific cloud-based time and attendance software application that you must use to record certain employee data in accordance with the ~~Brand Standards~~ Manual; and (ii) one or more specific cloud-based enterprise resource applications that we designate and require you to use under our ~~ERP System for which we hold a~~ master subscription ~~and that you must use to enter~~to record certain data ~~that we require from you in order to prepare Account invoices and document specific service activities~~for each Account serviced by the Franchised Business (which may include staff time worked, billing, accounting, cleaning equipment, and other information). We have remote access and administrator rights to the applications described in (i) and (ii)~~, but will not have access to the employee records that you create and maintain to satisfy Applicable Law. Likewise, you~~. You will be able to see the ~~Account~~ invoices that we generate for each Account that reflect Billed Revenue attributable to the Franchised Business.

4.7. ~~4.13~~ iNX Website and Network Portal.

4.7.1. ~~4.13.1~~ We alone shall own and control the design and functionality of the iNX Website and the separate subpage that we create for the Franchised Business. We will issue you a unique email address that uses the iNX Website's domain name and populates your subpage with content displaying information about the Franchised Business comparable to what we post to the subpages of other Network Members in good standing. All subpage content that you submit to us must be consistent with the guidelines in the ~~Brand Standards~~ Manual. We will not charge you to set up the subpage initially, but may charge you a webmaster fee for content changes that you desire to make during the

Term based on the then-current hourly rates in the ~~Brand Standards~~ Manual for the time spent by our webmaster to accomplish your requested changes. We may increase the webmaster fee by up to 10% annually. Your proposed new subpage content shall be treated as Local Marketing and is subject to our prior written approval.

4.7.2. ~~4.13.2~~ We will provide the individuals in your ~~Primary Owner, General Manager and Operations Manager~~Management Group with their own credentials to our Network Portal where we post a variety of information in addition to the ~~Brand Standards~~ Manual and that we use as a communication channel with Network Members. Your access to the Network Portal allows you access to sample business forms; art work for stationery, business cards and Local Marketing; and samples of professionally designed marketing materials. Each individual who is included in the Management Group must execute our Confidentiality and Non-Competition Agreement.

4.8. ~~4.14~~ Annual Conference. Not more often than once annually, we may conduct an Annual Conference of all Network Members (or, at our election, a series of regional conferences for Network Members depending on their Territory) for up to 3 days to discuss matters of strategic importance to Network Members and the iNX System. We will determine the conference date, location and agenda, which may include industry trends, lead generation and sales techniques, training in new software applications that we require you to use, performance standards, marketing programs, and changes to the iNX System since the preceding Annual Conference. We will give you at least 120 days prior written notice of the conference date, location, and other pertinent details so that you have adequate time to schedule travel. At least one Primary Owner and your designated General Manager must attend the Annual Conference. You are solely responsible for (i) paying us the then-current per person registration fee ~~at least 60 days~~ before the Annual Conference begins, in an amount and at the time specified in the Manual; and (ii) paying the salary and any travel expenses of your personnel who attend the Annual Conference, including transportation, lodging, food, and other personal charges.

5. ~~YOUR~~FRANCHISEE'S PERFORMANCE

5.1. ~~5.1~~ Business Start Date. ~~The Business Start Date is the date appearing on the completion certificate that we issue to your Primary Owner, General Manager and Operations Manager (if all different people) to signify their successful completion of our initial training program.~~ Before the Business Start Date, you must provide us with evidence that you have all required insurance and business permits to perform Authorized Services in your Territory. We will not be required to begin recruiting and marketing activities to identify prospective Accounts in your Territory, and you may not begin lead generation activities or perform Authorized Services, until after the Business Start Date ~~if~~(assuming that you ~~comply~~have complied with ~~these duties~~the insurance and permit requirements before then).

5.2. ~~5.2~~ Authorized Services.

5.2.1. ~~5.2.1~~ You agree to perform all of the Authorized Services that we identify in the ~~Brand Standards~~ Manual according to the quality standards, performance requirements and procedures in the ~~Brand Standards~~ Manual as we may update the iNX System at any time through ~~Brand Standards~~ Manual updates. We may revise the list of Authorized Services through updates to the ~~Brand Standards~~ Manual as frequently as we deem necessary in our sole discretion to promote the iNX System and respond to competitive and marketplace changes and Account preferences. The specific Authorized Services that you must perform for an individual Account will depend on the specific Scope of Work that we negotiate with the Account, which we will memorialize in the Account Contract and ~~in the~~ AAA ~~that you and we sign for~~relating to the Account.

5.2.2. ~~5.2.2~~ You acknowledge that Authorized Services include a non-exhaustive list of ~~Special Projects~~Non-Recurring Services that Accounts may ask us to perform, which we identify in the ~~Brand Standards~~ Manual.

5.2.2.1. ~~5.2.2.1~~ If an Account in your Territory asks us to perform ~~a Special Project that falls within the scope of Authorized Services, you must perform the Special Project according to the quality standards, performance requirements and procedures in the Brand Standards Manual. We~~Non-Recurring Services, we will present you with a ~~proposed Non-Recurring Service Agreement~~sales order that identifies the ~~Special Project~~Scope of Work for the Non-Recurring Services that ~~an existing~~the Account asks us to perform. Your failure to notify us of your objections within 4 hours after receiving the ~~proposed Non-Recurring Service Agreement of your objections~~sales order shall signify your ~~approval of the Material Scope of Work Changes, in which case you and we will amend the AAA for the Account to incorporate your~~ agreement to perform the ~~Special Project~~Non-Recurring Services for the price and other material terms in the ~~Non-Recurring Service Agreement.~~sales order and according to the quality standards, performance requirements and procedures in the Manual.

5.2.2.2. ~~5.2.2.2~~ If an Account in your Territory asks you to perform ~~a Special Project that falls within the scope of Authorized~~Non-Recurring Services, you must (i) notify us of the request; and (ii) notify the Account that you may not ~~do so until you and we execute~~perform the Non-Recurring Services until the Account executes a Non-Recurring Service Agreement with us. We will present you with a ~~proposed Non-Recurring Service Agreement~~sales order within 24 hours after receiving written notice from you describing the Scope of Work for the ~~Special Project~~Non-Recurring Services. Your failure to notify us of your objections within 4 hours after receiving the ~~proposed Non-Recurring Service Agreement of your objections~~sales order shall signify your approval of the Scope of Work. If you approve the sales order, we will prepare a Non-Recurring Service Agreement~~, in which case you and we will amend the AAA for the Account to incorporate~~ for the Non-Recurring Services in accordance with the sales order and provide it to the Account for signature.

5.2.2.3. If a prospective customer in your Territory asks us or you to perform Non-Recurring Services, we may schedule a First Time Consult for you to visit the customer and assess the proposed Scope of Work. You must submit your FTC report to us within 24 hours of the First Time Consult indicating whether you are willing to perform the Non-Recurring Services. If you agree to perform the Non-Recurring Services, we will present you with a sales order. Your failure to notify us of your objections within 4 hours after receiving the sales order shall signify your agreement to perform the ~~Special Project~~Non-Recurring Services for the price and other material terms in the ~~Non-Recurring Service Agreement~~sales order and according to the quality standards, performance requirements and procedures in the Manual.

5.2.2.4. ~~5.2.2.3~~ Unless you ~~execute~~approve a sales order for Non-Recurring Services and the Account executes a Non-Recurring Service Agreement with us, you have no right to any payment if you perform ~~a Special Project~~Non-Recurring Services. Additionally, ~~your~~any failure by you to notify us of Non-Recurring Services will constitute a breach of this Agreement.

5.2.2.5. ~~5.2.2.4~~ You understand and agree that for the sake of customer satisfaction and retention it is essential that you respond promptly to ~~proposed Material Scope of Work Changes~~sales orders and that 4 hours is a reasonable time period in which to respond.

5.3. ~~5.3~~ Franchisee Business Entity~~;~~ and Assumed Name.

5.3.1. ~~5.3.1~~ You agree to remain in good standing as a Business Entity in the jurisdiction of your organization or formation throughout the Term with the unrestricted right to perform all duties under this Agreement without the need to obtain the prior approval of a third party.

5.3.2. ~~5.3.2~~ During the Term, the Franchisee Business Entity may not engage in other business or commercial activities or investments unrelated to your duties under this Agreement. However, nothing in this Agreement forbids a Covered Person from engaging in other business and commercial activities during or after the Term subject to the restrictions in this Agreement pertaining to the operation of a Competitive Business.

5.3.3. ~~5.3.3~~ Before the Business Start Date, we will assign the Franchised Business an Assumed Name that provides you with a unique identification as a Network Member. You must use the Assumed Name in conducting the Franchised Business and comply with any registration duties imposed by Applicable Law on persons that do business using a fictitious business name. You must promptly cancel any registration of the Assumed Name upon the expiration or termination of this Agreement.

5.4. ~~5.4~~ Franchised Business Operations.

5.4.1. You must operate the Franchised Business in strict compliance with the iNX System, as described in the Manual from time to time.

5.4.2. ~~5.4.1~~ The Franchised Business shall at all times be under the direct, personal supervision of a General Manager. The General Manager must report directly to your Primary Owner if the General Manager is not a Primary Owner, and the Operations Manager must report directly to the General Manager. Your General Manager must serve as our primary point of contact with you. Both your General Manager and Operations Manager must devote full time and attention to the Franchised Business in executing their separate job duties on your behalf.

5.4.2.1. ~~5.4.1.1~~ There may not be a vacancy in the General Manager or Operations Manager positions during the Term. Nothing in this Agreement prevents you from qualifying more than one individual as a General Manager at the same time. However, you may only designate one General Manager at a time for the Franchised Business. You must notify us in writing of any changes in your designated General Manager during the Term promptly after the change occurs.

5.4.2.2. ~~5.4.1.2~~ Your first designated General Manager and Operations Manager must each complete our initial training program to our reasonable satisfaction before the Business Start Date. After the Business Start Date, you must arrange to enroll any subsequent proposed General Manager or Operations Manager in our initial training program immediately after hiring, and that individual must complete our initial training program to our reasonable satisfaction within 60 days, in order to qualify as a General Manager or Operations Manager, respectively.

5.4.2.3. ~~5.4.1.3~~ It shall be a breach of this Agreement for you to allow a vacancy in the position of General Manager of the Franchised Business, unless the vacancy is due to the death or Incapacity of a Primary Owner who is serving in the capacity as the General Manager of the Franchised Business and ~~(i)~~ you comply with the ~~Event of Transfer procedures; and (ii) give us the right, at our election to manage the Franchised Business under the conditions in this Agreement~~requirements in Section 10.7 below.

5.4.2.4. In the event of a temporary absence of your General Manager from the Franchised Business for up to 21 consecutive days (for example, due to illness or vacation), your Assistant General Manager (if applicable) may act for the General Manager in the General Manager's absence, provided that (i) the Assistant General Manager meets all of our then-current qualifications for a General Manager; and (ii) you notify us of the General Manager's absence either in advance or within 24 hours after the absence begins.

5.4.2.5. In order to facilitate efficient sales and marketing efforts, your General Manager and Assistant General Manager (if applicable) must maintain their respective online calendars regularly and keep them up-to-date so that we can schedule calls and meetings for you with Accounts.

5.4.3. ~~5.4.2~~ You must employ or retain a sufficient number of competent employees and cause each of them to receive appropriate training to perform their job or work duties in accordance with the standards and specifications of the iNX System. During the Term, your General Manager and Operations Manager are responsible for training your employees, except for the training we provide to your Management Group under Sections 4.2 above4.2 and 4.3 above or as otherwise specified in this Agreement.

5.4.3.1. ~~5.4.2.1~~ All of your employees whose duties include communicating with prospective and existing Accounts shall have sufficient literacy and fluency in the English language, in our judgment, to interact with Accounts.

5.4.3.2. ~~5.4.2.2~~ During their work hours, all employees must present a neat and clean appearance and wear the uniforms that we designate for their jobs, in the color, style and design then specified by us. You are solely responsible for purchasing and furnishing your employees with the uniforms that we designate from the third-party vendor that we designate.

5.4.3.3. ~~5.4.2.3~~ You are solely responsible for the acts and omissions of your employees, including your ~~Owners, General Manager and Operations Manager~~Management Group, arising during the course of their employment.

5.4.3.4. ~~5.4.2.4~~ You are solely responsible for the salaries and expenses of your Owners, management and employees according to your own policies during the entire period that they are employed by you. You are solely responsible for establishing employment policies, compensation, and employment policies for your employees and must notify your employees before and at the time of hire or engagement and afterwards that they are employed solely by you and are not our employees. You agree that this Agreement does not impose any controls, or otherwise impinge, on your sole discretion to make decisions pertaining to the employment policies, compensation or benefits, work conditions, or other performance requirements of your employees.

5.4.4. ~~5.4.3~~ You must pay all of the operating expenses of the Franchised Business in a timely manner and understand and agree that your failure to do so could materially harm the reputation of the Licensed Marks and our ability to generate new Accounts on favorable terms for the benefit of all Network Members. If you have a bona fide dispute with any supplier or vendor that you believe justifies non-payment or partial payment, you must promptly notify the supplier or vendor and us at the same time of the particulars of your claim and diligently pursue resolution of the claim or prosecution of appropriate legal action. Any trade debt that remains unpaid for more than 60 days after the date it is due shall constitute a breach of this Agreement unless, before the end of the 60-day period (i) you and the supplier or vendor agree to alternative payment terms; or (ii) you initiate appropriate legal action to contest the trade debt. We have no liability for your debts or obligations to third parties.

5.4.5. ~~5.4.4~~ In conducting the Franchised Business and communicating with us, other Network Members, Accounts and other members of the public, at your sole expense, you must cause your employees to use the email address that we assign to them that is associated with the iNX Website and not use any other email address.

5.4.6. ~~5.4.5~~ In your communications with your employees, prospective and actual Accounts, vendors, suppliers, and the general public you must conspicuously identify yourself as the independent owner of the Franchised Business operating under a license from us in a manner that we specify in the ~~Brand Standards~~ Manual. This includes identifying the legal name of the Franchisee Business Entity followed by "doing business as [YOUR ASSUMED NAME] under a license from iNX BUILDING MAINTENANCE SOLUTIONS, INC." on any business or telephone directory listings; emails sent by persons acting on your behalf; bank checks; service vehicle signs; employee handbooks prepared by you for your employees; postings for new hires; paychecks; and other types of communications identified in the ~~Brand Standards~~ Manual. You may not suggest or imply that you own the Intellectual Property Rights or are a subsidiary, parent, division, shareholder, partner, consultant, joint venturer, agent, or employee of our company.

5.4.7. ~~5.4.6~~ In operating the Franchised Business, you must use and maintain in good working order at your sole cost computer equipment meeting the minimum configuration and operating system specifications that we identify in the ~~Brand Standards~~ Manual and the specific time and attendance software application and enterprise resource applications ~~and ERP~~ that we designate, and may not license or use any other software applications in place of the applications that we designate, as we may change or update these applications as frequently as we deem necessary in our sole discretion by adding, deleting and upgrading applications. You may not copy or allow any unauthorized third-party access to these applications. You must upgrade your computer system as necessary at your sole expense in order to run all designated software applications at an optimal speed and receive full functionality of the applications for the purposes that we require.

5.4.7.1. ~~5.4.6.1~~ We cannot and do not guarantee that Account Data or any other Confidential Information pertinent to the Franchised Business that you store on the software application that we designate will be invulnerable from attacks by third-party computer hackers, viruses or other causes of disruption or malfunction. If you become aware or suspect that any Account Data or other Confidential Information may be the subject of an attack, virus or other cause of disruption, compromise, security breach or malfunction, you must notify us immediately and cooperate with our instructions and take reasonable commercial measures at your own expense to protect the integrity of the software applications and confidentiality of Confidential Information and prevent any virus from being passed on to us, another Network Member or any Account. We will notify you if we become aware or suspect that any Account Data or other Confidential Information may be the subject of an attack, virus or other cause of disruption, compromise, security breach or malfunction.

5.4.7.2. ~~5.4.6.2~~ WE MAKE NO WARRANTY OR REPRESENTATION, EITHER EXPRESSED OR IMPLIED, REGARDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE APPLICATIONS THAT WE REQUIRE YOU TO USE NOW OR IN THE FUTURE AND DISCLAIM ALL WARRANTIES OR REPRESENTATIONS THAT ARE EXPRESSED OR IMPLIED UNDER APPLICABLE LAW.

5.4.7.3. ~~5.4.6.3~~ WE HAVE NO LIABILITY FOR ANY DISRUPTION IN YOUR ABILITY TO ACCESS ANY DESIGNATED APPLICATIONS DUE TO AN EVENT OF FORCE MAJEURE. WE MAKE NO REPRESENTATIONS OR WARRANTIES THAT COMMUNICATIONS FACILITATED BY THE USE OF ANY DESIGNATED APPLICATIONS WILL BE UNINTERRUPTED OR ERROR FREE.

5.4.7.4. ~~5.4.6.4~~ NEITHER WE NOR ANY THIRD-PARTY LICENSOR OF ANY SOFTWARE APPLICATIONS THAT NOW OR IN THE FUTURE ARE PART OF iNX SYSTEM SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF OR INABILITY TO ACCESS ANY DESIGNATED SOFTWARE APPLICATIONS EVEN IF WE ARE ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. WE ARE NOT RESPONSIBLE FOR ANY COSTS INCLUDING LOST PROFITS, LOSS OF USE, LOSS OF DATA, THE COST OF RECOVERING SOFTWARE OR DATA, THE COST OF SUBSTITUTE SOFTWARE OR CLAIMS BY THIRD PARTIES RELATED TO YOUR USE OF DESIGNATED SOFTWARE APPLICATIONS.

5.4.8. ~~5.4.7~~ After the Business Start Date, you must submit to us on or before the date specified in the ~~Brand Standards~~ Manual the financial, operational and statistical reports and information that we may require so that we may (i) provide you with consultation and advice in accordance with this Agreement; (ii) monitor your compliance with this Agreement and your operating costs, expenses and profitability; (iii) develop chain-wide statistics; (iv) develop new operating procedures; and (v) implement changes in the iNX System to respond to competitive and marketplace changes or to improve and enhance the reputation of the Licensed Marks and consumer awareness and identity of Network Members generally.

5.4.8.1. ~~5.4.7.1~~ Without limiting the types of reports that we may require, we may ask you to ~~prepare and~~ submit financial reports documenting the revenue and expenses of the Franchised Business, prepared in accordance with the accounting, recordkeeping and bookkeeping procedures and in the format prescribed in the ~~Brand Standards~~ Manual. Each financial report shall include not only the financial results of each individual Accounting Month, but also cumulative information for the year-to-date, together with such additional information as we may reasonably request. If we request financial reports, you must prepare and deliver them to us within ~~10~~15 days after the end of each Accounting month or as otherwise specified in the Manual.

5.4.8.2. ~~5.4.7.2~~ Additionally, within 10 days after request, you must provide us with a copy of (i) your federal and state income tax returns and payroll reports submitted to governmental authorities including quarterly tax returns demonstrating your compliance with Applicable Laws including employer payroll laws; and (ii) the personal federal and state income tax returns of each of your Primary Owners.

5.5. ~~5.5~~ Franchise Office.

5.5.1. ~~5.5.1 If the street address of~~You must select and secure a location to serve as the Franchise Office ~~does not appear on **Schedule 6** on the Effective Date when you and we execute this Agreement, you~~within 90 days after the Franchised Business reaches 75 full-time equivalent employees, or as otherwise specified in the Manual. You acknowledge and agree that that you must obtain our prior written approval of the Franchise Office ~~and take occupancy within 180 days after the Business Start Date~~location. The Franchise Office must be located in the Territory and allow ~~you~~ sufficient privacy to conduct conversations without risk of having Account Data or other Confidential Information overheard by or available to unauthorized parties. The office must have a desk, secure internet access, be large enough to accommodate the daily needs of the business, and follow the standards as outlined in the Manual.

5.5.2. ~~5.5.2~~ To obtain our approval, you must apply in writing with the street address and a description of the proposed Franchise Office ~~street address and other features (i)~~location, supported by photographs or other documentation demonstrating that the proposed location meets the standards for

a Franchise Office as set out in the ~~Brand Standards~~ Manual~~;~~, and ~~(ii) payment of a~~pay us our then-current Site Pre-Inspection Fee ~~of $995. We will be deemed~~(if we determine that a site visit is required to ~~disapprove~~assess the proposed ~~business premises unless~~location). Unless we ~~notify~~provide you ~~of~~with our written approval ~~in writing~~ within 30 days after receiving your written request~~. When~~, we ~~issue our written approval, we will, at which time we will execute~~ **~~Schedule 6~~**will be deemed to disapprove the proposed location.

5.5.3. ~~5.5.3~~ You must furnish the Franchise Office in good taste and keep all office furniture, furnishings and equipment in good condition and repair so that the Franchise Office reflects favorably upon the public image and reputation of the Licensed Marks. Upon our request, you must provide us with photographs of the exterior and interior space to demonstrate your compliance with this obligation.

5.5.4. ~~5.5.4~~ You may not relocate the approved business premises without obtaining our prior written approval of the new location, in accordance with the approval process in place at that time~~ and paying us the then-current Site Pre-Inspection Fee. We will amend **Schedule 6** to this Agreement to reflect the Franchise Office's new street address, which must be in the Territory and is subject to the same terms and conditions applicable to the original Franchise Office~~.

5.6. ~~5.6~~ Local Marketing.

5.6.1. ~~5.6.1~~ You must comply with our written guidelines for Local Marketing set forth in the ~~Brand Standards~~ Manual if you engage in Local Marketing. Our written guidelines for Local Marketing may include the requirement that Local Marketing contain notices of the iNX Website domain name or similar information indicating the availability of iNX franchises in the manner that we designate. All Local Marketing must be clear, factual, and not misleading and must conform to Applicable Law, the highest standards of ethical advertising and marketing, and our written guidelines and other marketing policies that we prescribe from time to time.

5.6.2. ~~5.6.2~~ You may not use, disseminate, broadcast or publish any Local Marketing in any media channel (whether print, broadcast, electronic or digital, including, but not limited to, third-party and social media websites) without first obtaining our written approval of the copy, proposed media, method of distribution, and marketing plan for the proposed Local Marketing. To apply for our approval of a proposed Local Marketing, you must submit a true and correct copy, sample or transcript of the proposed Local Marketing, together with a written business plan that explains the proposed media plan, promotional event or other intended use of the proposed Local Marketing. We have 10 days from the date of receipt in which to approve or disapprove of the submitted materials. If written approval is not received by the end of 10 days, we will be deemed to have rejected the proposed Local Marketing. If written approval is given on or before the end of 10 days, you may use the proposed Local Marketing, but only in the exact form submitted to us.

5.6.3. ~~5.6.3~~ All social media and other forms of public or private online communications must comply with our social media networking policy in the ~~Brand Standards~~ Manual. You understand that we have the absolute right to forbid you from posting any content pertaining to the Franchised Business or your relationship to us on a third-party social media channel. In our discretion, if we approve your request to post content on third-party social media sites, you must give us administrator access rights that authorizes us to manage or take down the site or specific content if we determine in our reasonable judgment that you are not complying with our social media policy. Our right to take down content shall not be our sole remedy in the event of your breach of our social media policy.

5.6.4. ~~5.6.4~~ At your expense, you must immediately remove from circulation and cease using any previously approved Local Marketing if we determine, in our sole discretion, that continued circulation or use may, or will, damage the integrity or reputation of the Licensed Marks, is otherwise necessary to protect the reputation and goodwill associated with the iNX System and our reasonable business interests, or otherwise violates this Agreement.

5.6.5. ~~5.6.5~~ You may not maintain your own website promoting the Franchised Business or use the Licensed Marks in any domain name.

5.6.6. ~~5.6.6~~ You must participate in system-wide marketing programs identified by us, including loyalty card programs, social media programs, Account and marketing surveys and direct marketing programs.

5.7. ~~5.7~~ Insurance.

5.7.1. ~~5.7.1~~ Before the Business Start Date, you must secure the specific types of insurance policies providing the coverage that we specify in the ~~Brand Standards~~ Manual through our designated insurance broker and pay us the insurance premium costs and Insurance Administration Fee required by this Agreement. You must keep all required insurance policies in full force and effect during the Term.

5.7.2. ~~5.7.2~~ We alone shall determine minimum insurance requirements including deductible limits. You understand and agree that we may increase the minimum insurance requirements, establish and change deductible limits, require that you secure and maintain additional forms of insurance, and otherwise modify the insurance requirements in this Agreement based upon inflation, general industry standards, our experience with claims, or for other commercially reasonable reasons. You must comply with any change imposed by us within 30 days after written notice from us and shall submit written proof of compliance to us upon request.

5.7.3. ~~5.7.3~~ You understand and agree that the minimum insurance requirements that we specify do not constitute a representation or warranty by us that the minimum coverage and specific types of insurance will be sufficient for the Franchised Business. Nothing in this Agreement prohibits you from securing additional coverage limits or other types of insurance protection for the Franchised Business as long as the additional insurance coverage that you obtain on your own names us as an Additional Insured.

~~5.8 Audits and Inspections.~~

~~5.8.1 We and our representatives shall have full access to examine, audit, and copy your business records relating to the Franchised Business, including your federal and state income tax returns and sales tax returns, bank statements (including deposit slips and canceled checks for bank accounts that you use to deposit Billed Revenue or pay the expense of the Franchised Business), data stored on your computers, and any other documents and information that we reasonably request in order to verify your compliance with this Agreement. You must comply with our reasonable requests for additional information within 10 days after receiving our written request.~~

~~5.8.2 In addition to our audit rights described in this Agreement, you expressly authorize us and our representatives, at any reasonable time, without prior notice, to observe the performance of your employees on job sites and your employees' methods of interactions with Accounts in order to verify your compliance with this Agreement.~~

5.8. ~~5.9~~ Compliance with Applicable Law.

5.8.1. ~~5.9.1~~ You are solely responsible for investigating the Applicable Laws that apply to the operation of the Franchised Business. You must at all times operate the Franchised Business in strict compliance with Applicable Laws. If we share any forms or materials with you as examples of forms or materials that we or another Network Member may use or recommend, this does not constitute an express or implied representation that the forms or materials comply with the Applicable Laws that govern your Franchised Business and you are solely responsible for adapting the forms and materials as you determine is necessary in order to comply with the Applicable Laws.

5.8.2. ~~5.9.2~~ At your sole expense, you must secure and maintain in good standing all necessary licenses, permits, and certificates required to operate the Franchised Business lawfully and provide us with proof of compliance promptly following our request.

5.9. Audits and Inspections.

5.9.1. We and our representatives shall have full access to examine, audit, and copy your business records relating to the Franchised Business, including your federal and state income tax returns and sales tax returns, bank statements (including deposit slips and canceled checks for bank accounts that you use to deposit Billed Revenue or pay the expense of the Franchised Business), data stored on your computers, and any other documents and information that we reasonably request in order to verify your compliance with this Agreement and Applicable Law. You must comply with our reasonable requests for additional information within 10 days after receiving our written request.

5.9.2. In addition to our audit rights described in this Agreement, you expressly authorize us and our representatives, at any reasonable time, without prior notice, to observe the performance of your employees on job sites and your employees' methods of interactions with Accounts in order to verify your compliance with this Agreement and Applicable Law.

5.10. ~~5.10~~ Complaints and Other Actions.

5.10.1. ~~5.10.1~~ You must promptly report to us any incidents involving personal injury or property damage sustained by an Account or its employees, or by your employees, or at an Account location, if the injury or damage directly or indirectly arises out of acts or omissions by your employees or agents.

5.10.2. ~~5.10.2~~ You must promptly submit to us upon receipt copies of (i) notices, complaints or other types of formal or informal communications received from Accounts about the performance or non-performance of Authorized Services or interactions with any member of your ~~General Manager, Operations Manager,~~Management Group or any of your other employees; (ii) formal complaints filed by your employee relating to your alleged violation of Applicable Law; and (iii) notices, complaints or other types of formal or informal communications received from any government agency relating to your alleged violation of Applicable Law and you hereby authorize the government agency to provide the same information directly to us upon our request.

5.10.3. ~~5.10.3~~ You must promptly notify us of any written threat, or the actual commencement, of any action, suit, or proceeding against you or any Personal Guarantor that might adversely affect the operation or financial condition of the Franchised Business, and provide us with a copy of all relevant documents.

5.11. ~~5.11~~ Minimum Performance Requirements. ~~We may terminate this Agreement if~~ 5.11.1. ~~Throughout the Term,~~ you ~~fail to~~must meet ~~any one of~~ the minimum performance ~~requirements described in this Section~~standards in the operation of the Franchised Business:

5.11.1.1. ~~5.11.1~~ During every rolling 13-week period from and after the Business Start Date, ~~you must achieve no less than the following percentages,~~ you must keep at least 95% of all appointments that you or we (with your approval) set with prospective Accounts in the Territory.

5.11.1.2. ~~5.11.2~~ During every rolling 13-week period from and after the Business Start Date, ~~you must achieve no less than the following percentages~~except in the event of extenuating circumstances approved by us in advance, you must submit a First Time Consult report to us ~~by the end of the same day that you meet~~within 24 hours of your meeting with the prospective Account at the prospect's place of business 100% of the time.

5.11.1.3. ~~5.11.3~~ During every rolling 26-week period from and after the Business Start Date, you must maintain an average aggregate Net Promoter Score of at least 50. Net Promoter is a proprietary management tool owned by third parties unrelated to us that measures customer satisfaction, which we use by having Accounts periodically rate your performance according to criteria that we deem relevant. You understand and agree that ~~(i)~~ we may (i) modify the Net Promoter criteria at any time; (ii) substitute a different customer satisfaction measurement tool for Net Promoter; or (iii) use additional customer satisfaction tools besides Net Promoter to benchmark your performance. In the case of (ii) or (iii), you understand that any new tools that we choose may utilize a different ranking system that unlike Net Promoter is not based on a scale of 100. However, for purposes of determining your satisfaction of this minimum performance requirement, you must maintain an average score according of at least 50% of the maximum possible score during every rolling 26-week period from and after the Business Start Date.

5.11.1.4. Beginning one year after the Business Start Date and continuing throughout the Term and any Renewal Term, you must maintain an average public review score of 3.6 or greater for both Google and Yelp reviews of the Franchised Business.

5.11.1.5. During every rolling 12-month period from and after the Business Start Date, the Churn Rate for the Franchised Business must not exceed the greater of (i) 15%; and (ii) if the mean Churn Rate for all Network Members exceeds 15% during the 12-month period, then 125% of the mean Churn Rate for all Network Members for such 12-month period. For purposes of this Section, "**Churn Rate**" means, for each Network Member: (a) the total Account Volume for Accounts that ended their Account Contracts during the 12-month period; divided by (b) the total Account Volume for all Accounts as of the beginning of the 12-month period.

5.11.2. If you fail to meet any one of the above minimum performance requirements, we may give you written notice of your default, and may elect any of the following remedies, in our sole discretion: (a) we may terminate your exclusivity in the Territory; (b) we may unilaterally reduce the size of your Territory; or (c) we may terminate this Agreement pursuant to Section VIII of this Agreement.

6. ~~YOUR~~FRANCHISEE'S FINANCIAL OBLIGATIONS TO ~~US~~iNX

In addition to any fees or deductions identified elsewhere in this Agreement, in consideration of the license awarded to you pursuant to this Agreement, you must make the following payments to us. You agree that we may deduct these payments from Billed Revenue and Collected Revenue paid to you.

Your financial obligations due to us are not refundable and are fully earned by us when paid or taken in the form of deductions.

6.1. ~~6.1~~ Initial Franchise Fee. Concurrently with your execution of this Agreement, you must pay us the sum of $~~4,995~~9,995 as an initial franchise fee ("**Initial Franchise Fee**").

6.2. ~~6.2~~ Territory Fee. Concurrently with your execution of this Agreement, you must pay us a Territory Fee equal to the product of ~~the~~ $~~0.22~~2.00 times the ~~number of businesses~~estimated available building count in the Territory shown on **Schedule ~~6,~~ 1** (which reflects our mutual agreement based on the database that we describe in ~~the Franchise Disclosure Document~~Section 2.3.2).

6.3. ~~6.3~~ Site Pre-Inspection Fee. ~~When~~If, when you submit to us the address of the proposed Franchise Office for our written approval, we determine that an in-person site review is needed, then you must pay us ~~the sum of $995 as a Site Pre-Inspection Fee~~our then-current site pre-inspection fee as specified in the Manual ("**Site Pre-Inspection Fee**") as well as our travel expenses to your proposed location.

6.4. ~~6.4~~ Service Fees. Out of Billed Revenue that we pay to you per Accounting Month for each Account ~~that is the subject of an AAA~~in your Territory during the Term after the Business Start Date, excluding Billed Revenue specifically attributable to ~~a Special Project~~Non-Recurring Services, we may deduct and retain as a Service Fee an amount equal to 15% of Billed Revenue ("**Service Fee**"). ~~Within~~In the event of a discrepancy between Billed Revenue and Collected Revenue, within 90 days after we invoice an Account for Billed Revenue due under the Account Contract for an Accounting Month, we will issue you a Reconciliation Statement that will "true up" the actual Service Fee due from you for the Accounting Month with respect to the Account based on the actual Collected Revenue that we have received from the Account for the Accounting Month as of the Reconciliation Statement date if that amount is less than Billed Revenue.

6.5. ~~6.5 Special Project~~Non-Recurring Service Fee. Out of Billed Revenue that we pay to you per Accounting Month for any ~~Special Project~~Non-Recurring Services completed for an Account ~~that is the subject of an AAA~~in your Territory during the Term after the Business Start Date, excluding Billed Revenue that is not specifically attributable to ~~a Special Project~~Non-Recurring Services, we may deduct and retain as a ~~Special Project~~Non-Recurring Service Fee an amount equal to 25% of Billed Revenue ("~~**Special Project**~~**Non-Recurring Service Fee**"). ~~Within~~In the event of a discrepancy between Billed Revenue and Collected Revenue, within 90 days after we invoice an Account for Billed Revenue due under the Account Contract for the Accounting Month, we will issue you a Reconciliation Statement that will "true up" the actual ~~Special Project~~Non-Recurring Service Fee due from you for the Accounting Month with respect to the Account based on the actual Collected Revenue that we have received from the Account for the ~~Special Project~~Non-Recurring Services as of the Reconciliation Statement date if that amount is less than Billed Revenue, as provided in this Agreement.

6.6. ~~6.6~~ Business Generation Fee.

~~6.6.1 You must pay us a one-time Business Generation Fee per~~

6.6.1. For each Account Contract that you accept by entering into an AAA with us ~~equal to a multiple of one month of Billed Revenue calculated in accordance with this section~~, you must pay us a one-time Business Generation Fee. The ~~multiple ranges from 225% to 348.48% of one month of Billed Revenue per Account Contract. The specific multiple depends on the length of the term that you choose for paying~~Business Generation Fee for each Account Contract is calculated as follows:

6.6.1.1. If you elect to pay the Business Generation Fee~~:~~ in a single payment, the ~~shorter the term, the lower the multiple (resulting in a lower~~Business Generation Fee will be equal to 225% multiplied by the Account Volume under the Account Contract.

6.6.1.2. If you elect to pay the Business Generation Fee~~), as illustrated in~~ over time, the ~~chart in this subsection. You have five options for term length ranging from making one payment up to paying monthly over a term of 36 months. You may choose a different term for each~~Business Generation Fee will be equal to 360% multiplied by the Account Volume under the Account Contract ~~that you accept. This chart illustrates your payment options:~~

~~Option~~	~~# of payments~~	~~Multiplier~~	~~When Due~~	~~Example – $10,000 Billed Revenue – first Accounting Month~~
~~1~~	~~1~~	~~225% X one month Billed Revenue (10% less than Option #2)~~	~~When the AAA corresponding to the new Account Contract becomes effective~~	~~Total Business Generation Fee Payable = $22,500~~
~~2~~	~~4~~	~~62.50% X one month Billed Revenue per installment (4 installments)~~	~~4 equal monthly installments; first installment is payable when the AAA corresponding to the new Account Contract becomes effective; then on the same day in each of the next 3 months.~~	~~Each payment = $6,250 4 payments Total Business Generation Fee Payable = $25,000~~
~~3~~	~~12~~	~~23.44% X one month Billed Revenue (12 payments)~~	~~12 equal monthly payments; first payment is payable when the AAA corresponding to the new Account Contract becomes effective; then on the same day in each of the next 11 months.~~	~~Each payment = $2,344 12 payments Total Business Generation Fee Payable = $28,128~~
~~4~~	~~24~~	~~13.07 X one month Billed Revenue (24 payments)~~	~~24 equal monthly payments; first payment is payable when the AAA corresponding to the new Account Contract becomes effective; then on the same day in each of the next 23 months.~~	~~Each payment = $1,307 24 payments Total Business Generation Fee Payable = $31,368~~
~~5~~	~~36~~	~~9.68% X one month Billed Revenue (36 payments)~~	~~36 equal monthly payments; first payment is payable when the AAA corresponding to the new Account Contract becomes effective; then on the same day in each of the next 35 months.~~	~~Each payment = $968 36 payments Total Business Generation Fee Payable = $34,848~~

, and will be due and payable in 36 equal monthly installments.

6.6.2. ~~6.6.2~~ Business Generation Fees are not refundable once paid. ~~However, if an Account cancels an Account Contract before the Business Generation Fee is fully paid, cancellation will cancel all remaining unpaid Business Generation Fees under the specific Account Contract.~~ When you sign an AAA, you accept the risk that an Account may cancel its Account Contract at any time or reduce the original Scope of Work. Paying a Business Generation Fee does not ~~guaranty~~guarantee that the Account Contract will remain in force for a minimum period of time or pay you a minimum amount of

Billed Revenue. However, if an Account cancels an Account Contract before the Business Generation Fee is fully paid, cancellation will cancel all remaining unpaid Business Generation Fees under that specific Account Contract. If the Account terminates within the first 18 months of service, you must pay us a Client Retention Fee as provided in Section 6.19 below.

6.6.3. ~~6.6.3~~ If ~~Billed Revenue under~~you elect to pay the Business Generation Fee for an Account Contract over 36 months, and if the Account modifies the Scope of Work under that Account Contract (such that Billed Revenue increases or decreases going forward) before you have paid the entire Business Generation Fee ~~per the payment option that you choose~~, we will adjust the Business Generation Fee ~~as explained in Illustrations #1 and #2 in this section. For example, an Account may reduce the Scope of Work in the original Account Contract that, in turn, reduces the original Billed Revenue, or it may increase the Scope of Work in the original Account Contract that, in turn, increases the original Billed Revenue. If the Account makes this change before you have finished paying the Business Generation Fee based on the original Scope of Work in the original Account Contract, we~~. We recalculate the Business Generation Fee ~~accordingly.~~

~~6.6.3.1 This is an illustration of what happens if an~~based on the new Billed Revenue under the modified Account Contract ~~is reduced during the term of the Business Generation Fee~~as follows:

~~REDUCTION TO BILLED REVENUE – ILLUSTRATION #1~~	
~~WHEN: Account reduces the Scope Of Work in the original Account Contract decreasing Billed Revenue before Business Generation Fee is fully paid on original Billed Revenue~~	
~~Steps~~	~~Example – Account reduces the monthly Billed Revenue from $10,000 to $7,500~~
~~1~~	~~Original Billed Revenue – $10,000 one month Billed Revenue~~
~~2~~	~~Assume you elected to pay the Business Generation Fee on the original Billed Revenue of $10,000 in 12 payments. Each payment is $2,344 (total Business Generation Fee = $28,128).~~
~~3.~~	~~After you have paid 7 payments (7 X $2,344 = $16,408), the Account reduces the Scope of Work. The new monthly Billed Revenue for the reduced Scope of Work is now $7,500.~~
~~4.~~	~~Because you received Billed Revenue of $10,000 for each of the first 7 months of your 12-month payment plan, we do not adjust the portion of the Business Generation Fee already paid.~~
~~5.~~	~~We follow these steps in recalculating the remaining Business Generation Fee that you owe on the reduced monthly Billed Revenue of $7,500.~~ ~~• First, we determine the number of payments left to pay under the payment term option that you chose for this Account Contract. There are 5 payments left under the 12-month payment plan.~~ ~~• Next, we recalculate the Business Generation Fee on the reduced Billed Revenue amount of $7,500 under the 12-month payment term. We always use the term that you originally selected for this Account Contract in making this calculation. This calculation is $7,500 X 23.44%, or $1,758/payment.~~ ~~• The remaining Business Generation Fee is payable in 5 monthly payments of $1,758 (total remaining due = $8,790).~~

~~6.6.3.2 This is an illustration of what happens if an Account Contract is increased during the term of the Business Generation Fee:~~

INCREASE IN BILLED REVENUE – ILLUSTRATION #2	
WHEN: Account increases the Scope Of Work in the original Account Contract increasing Billed Revenue before Business Generation Fee is fully paid on original Billed Revenue	
Steps	Example – Account increases the monthly Billed Revenue from $10,000 to $13,500
1	Original Billed Revenue – $10,000 one month Billed Revenue
2	Assume you elected to pay the Business Generation Fee on the original Billed Revenue of $10,000 in 12 payments. Each payment is $2,344 (total Business Generation Fee = $28,128).
3.	After you have paid 7 payments (7 X $2,344 = $16,408), the Account increases the Scope of Work. The new monthly Billed Revenue for the increased Scope of Work is now $13,500.
4.	You continue to make the remaining 5 payments on the original $10,000 Billed Revenue.
5.	We determine the Business Generation Fee on the additional $3,500 Scope of Work as a separate charge. You may elect to pay the Business Generation Fees on the $3,500 in either 1, 4, 12, 24 or 36 monthly payments calculated in the same way as the original $10,000 monthly Billed Revenue.

6.6.3.1. If an Account decreases the Scope of Work in the Account Contract, the Business Generation Fee payable for each of the remaining months will be equal to 10% of the revised monthly Billed Revenue under the Account Contract. We do not adjust the portion of the Business Generation Fee already paid.

6.6.3.2. If an Account increases the Scope of Work in the Account Contract, you will (i) continue to pay the Business Generation Fee on the original Billed Revenue as originally calculated for each of the remaining months; and (ii) pay an additional Business Generation Fee on the increase in monthly Billed Revenue, calculated as if the increased Billed Revenue were a new Account Contract. You may choose to pay the additional Business Generation Fee either in a single payment (225% multiplied by the increase in monthly Billed Revenue) or over 36 months (360% multiplied by the increase in monthly Billed Revenue).

6.6.4. ~~6.6.4~~ The Business Generation Fee is subject to these additional conditions:

6.6.4.1. ~~6.6.4.1~~ If you elect to pay the Business Generation Fee in one payment, your payment is due ~~when~~to us by the ~~AAA corresponding to the new Account Contract becomes effective, which occurs immediately when~~last Wednesday of the month following the Accounting Month in which the Account signs a new Account ~~signs the~~Contract corresponding ~~Account Contract on the same material terms and conditions as the~~to an AAA that you ~~will~~ have~~, at this point, previously~~ approved~~. Under the other payment options~~, and shall be made (i) by deduction on your Franchise Revenue Statement; and (ii) if the deduction will be insufficient to pay the Business Generation Fee in full, the remaining balance by automated clearing house (ACH) transfer received by us by the due date. If you elect to pay the Business Generation Fee over time, we will deduct each payment from the net Billed Revenue payable for the month in which the payment is due. If you elect to pay the Business Generation Fee in one payment, but fail to pay the Business Generation Fee in full before the next month's Franchise Revenue Statement, then we will automatically convert the Business Generation Fee for that Account to the monthly payment plan. The Business Generation Fee compensates us for our services in recruiting the customer, negotiating the terms of the Account Contract, and, if applicable, accepting the risk that an Account may cancel the Account Contract before you fully pay us the Business Generation ~~Fees due based on the payment term option you have chosen~~Fee owed.

6.6.4.2. ~~6.6.4.2~~ If we agree to discount the Business Generation Fee ~~by 10% or 50% due to~~based on our evaluation of your independent lead generation activities, you may still choose ~~one~~either of the ~~5~~two payment options with respect to the discounted Business Generation Fee.

6.6.4.3. ~~6.6.4.3~~ We may increase the Business Generation Fee multiplier each year during the ~~Franchise Agreement term~~Term by an amount not to exceed ~~2% (2~~two percent (2%) of the prior year's multiplier rate.

6.6.5. ~~6.6.5 Under the terms of our~~Our Account Contract~~, we may increase the amount of Billed Revenue~~ permits post-contract increases in the Account Volume that an Account must pay each month under certain circumstances ~~because of higher labor~~due to increased costs. If ~~monthly Billed Revenue payable by an~~ Account Volume under an Account Contract increases ~~due to a wage increase before you have finished paying the~~in this circumstance, you will pay an additional Business Generation Fee for ~~that~~the increase in Account ~~Contract according to the payment option that you select, we may increase the Business Generation Fee by~~Volume, in an amount equal to one ~~times the amount by which the new Account Volume (reflecting the wage~~month's increase~~) exceeds the original~~ in Account Volume ~~and we~~. We will ~~spread this increase ratably over your remaining payments. A wage-related amendment would occur, for example, if monthly Billed Revenue increases due to an increase in the statutory minimum wage or if there is a material increase in the cost of workers compensation insurance. On the other hand, we~~deduct that additional amount from Billed Revenue on your next Franchise Revenue Statement. We do not refund any portion of the Business Generation Fee previously paid to us or adjust the amount of your remaining payments if there is a decrease in labor costs.

6.7. ~~6.7~~ Insurance-Related Fees.

6.7.1. ~~6.7.1~~ You must pay us the ~~sum of $333.33 annually for each year or partial year during the Term as an~~then-current Insurance Administration Fee specified in the Manual ("**Insurance Administration Fee**"), which is ~~all~~ due and payable in accordance with this section.

6.7.2. ~~6.7.2~~ You must pay us an amount equal to the aggregate cost of the premiums for the types of insurance policies that you must purchase through us ~~that~~(which we identify in the ~~Brand Standards~~ Manual), which premium is ~~all~~ due and payable in accordance with this section. This obligation shall include Workers Compensation insurance premiums for the Franchised Business if you cannot secure Workers Compensation insurance through the third-party ~~services~~service provider that we designate.

6.7.3. ~~6.7.3~~ The Insurance Administration Fee and each of the insurance premiums described in this Section (including Workers Compensation insurance if not purchased from our designated third-party ~~services~~service provider) shall be paid to us as a deduction from Billed Revenue either (i) no less than 30 days after the date of our invoice; or (ii) at your request, we may, in our sole and absolute discretion, agree to allow you to pay the premiums in 12 equal monthly installments with interest at the rate of 10% per annum by signing our form of promissory note.

6.8. ~~6.8~~ Technology Subscription Fees. Each Accounting Month, you must pay us (i) the then-~~-~~current per person user fees charged by the third-party service provider of the ~~Internet-based Time~~designated time and ~~Attendance~~attendance software application~~ that we subscribe to and require you to use and identify in the Brand Standards Manual~~; and (ii) ~~a~~the then-current monthly subscription ~~fee of $50 per Accounting Month~~fees for use of the designated ~~ERP software application~~enterprise resource applications, both of which we may deduct from Billed Revenue each Accounting Month after the Business Start Date.

6.9. ~~6.9~~ Technology Support Fee. On no less than 30 days' written notice, we may begin collecting a Technology Support Fee ~~of up to $25 per Accounting Month~~ to cover our cost to provide access to our Learning Management System and other online platforms and applications. If we impose a

Technology Support Fee, we ~~(i)~~ will deduct the amount due from Billed Revenue on ~~or before the 10th day of each Accounting Month; and (ii)~~your monthly Franchise Revenue Statement. We may increase the Technology Support Fee annually by an amount not to exceed 10% ~~over the amount~~ of the prior year's Technology Support Fee.

6.10. ~~6.10~~ Training Fees. You must pay us an amount equal to our then-current per person training fee set forth in the ~~Brand Standards~~ Manual for each day of training that we agree to deliver to a replacement or additional General Manager or Operations Manager that you wish to qualify after the Business Start Date without proration for a partial day. We may deduct this payment from Billed Revenue any time after we ~~mutually~~ schedule the training dates and before the start of training.

6.11. ~~6.11~~ Annual Conference Registration Fee. ~~At least 60 days before the start of the Annual Conference, you~~You must pay us ~~an amount equal to~~ our then-current per person registration fee ~~identified in the Brand Standards Manual~~ for the Annual Conference in an amount and at a time specified in the Manual. We may collect payment as a deduction from Billed Revenue after we announce the date of the Annual Conference and before it begins.

6.12. ~~6.12~~ Non-Compliance Fees.

6.12.1. ~~6.12.1~~ The ~~Brand Standards~~ Manual identifies specific Performance Standards that you must meet in performing a Scope of Work for an Account. The Performance Standards taken as a whole articulate minimum requirements of the iNX System that you must follow in your business dealings with Accounts, employees and the general public in order to protect the integrity and reputation of the Licensed Marks and our reputation and goodwill with Accounts. The goal of imposing Non-Compliance Fees is to provide you with an incentive to implement and maintain best practices at all times in performing your duties under this Agreement.

6.12.2. ~~6.12.2~~ We may increase each Non-Compliance Fee annually during the Term by an amount not to exceed 10% per year over the amount of the prior year's Non-Compliance Fee.

6.12.3. ~~6.12.3~~ For each Performance Standard, the ~~Brand Standards~~ Manual not only describes the Performance Standard, but also identifies the maximum time period within which you must correct a Performance Standard deficiency and the Non-Compliance Fee that we may charge you if you fail to meet this deadline. We refer to the deadline as the "**Citation Due Date**." You are responsible for implementing procedures and training and supervising your employees to comply with all Performance Standards. If at any time you are unsure about our expectations in measuring compliance with a Performance Standard, you must bring this to our attention and seek advice from us.

6.12.4. ~~6.12.4~~ If we are informed and reasonably believe that you have not complied with a Performance Standard by the applicable Citation Due Date, we may give you written notice of your Performance Standard default ("**Citation Notice**") ~~of this fact. Once we give a Citation Notice to you~~, ~~we~~and may then deduct from Billed Revenue the amount of the Non-Compliance Fee corresponding to the particular Performance Standard default that is identified in the Citation Notice.

6.12.5. ~~6.12.5~~ We may revise the Performance Standards at any time through updates to the ~~Brand Standards~~ Manual including adding new Performance Standards and corresponding compliance deadlines and imposing a separate Non-Compliance Fee for each new Performance Standard.

6.13. ~~6.13~~ New Account Start Up Advance. At your written request, we may, in our sole and absolute discretion, agree to pay you an advance equal to up to one month of Billed Revenue payable by

an Account under the Account Contract before we issue our first invoice to the Account for a Scope of Work (but after the Account has signed an Account Contract with us). For each advance that we agree to pay to you, you must repay us the principal amount of the advance in up to 6 equal monthly installments together with interest at the rate of 10% per annum by signing our form of promissory note, and we may allow you to delay the beginning of the repayment period for up to 4 months, provided that interest will continue to accrue during the delay period. We will determine the amount of the advance and number of installments in our sole discretion and may deduct each installment of principal and interest due under the note from Billed Revenue in the same way that you pay Service Fees.

6.14. ~~6.14~~ Advance Before Payment Due Date. At your written request, we may, in our sole and absolute discretion, agree to pay you an advance per Account equal to up to one month of the total net amount due and payable to you per the Franchise ~~Income~~Revenue Statement ~~Detail~~. For each advance that we agree to pay to you pursuant to this section, we may impose a fee equal to 3% of the amount that we advance. We may deduct and retain an amount equal to the entire advance plus the 3% fee from Billed Revenue after the Account's payment date.

6.15. ~~6.15~~ Management Fee. If we elect to manage the Franchised Business after the death or Incapacity of your Primary Owner, you must pay us a Management Fee equal to 10% of the first $100,000 in Billed Revenue and 5% of Billed Revenue over $100,000 each Accounting Month for all Accounts of the Franchised Business ("**Management Fee**"). Additionally, you must reimburse us for our reasonable and direct overhead expenses in operating the Franchised Business on your behalf excluding indirect expenses and salary for our personnel. Payment of the Management Fee is in addition to payment of all other obligations and fees required to be paid to us under this Agreement on Billed Revenue during the period that we manage the Franchised Business.

~~6.16 Interview and Testing Services Support Fee. If you ask us to help you evaluate potential General Manager and Operations Manager candidates, you must pay us our then-current hourly Interview and Testing Services Support Fee in the amount set forth in the Brand Standards Manual. After receiving your request, we will mutually determine the scope of services and provide you with an estimate of the Interview and Testing Services Support Fee. You must pay us 100% of the estimate before we begin to render services. If our actual time is less than the estimate, we will provide you will a credit towards future Service Fees. If the actual time is more than the estimate, the additional Interview and Testing Services Support Fee is due within 30 days after the date of our invoice. We may increase the hourly Interview and Testing Services Support Fee by up to 10% per year.~~

6.16. ~~6.17~~ Payment Method.

6.16.1. ~~6.17.1~~ Any payments that you make to us during the Term (other than through deductions that this Agreement permits us to take from Billed ~~Fees~~Revenue and Collected ~~Fees~~Revenue) must be made through the electronic payment system that we designate, which uses pre-authorized transfers from your designated operating account to us through automated clearing house (ACH), or~~, if we request,~~ by ~~special checks or~~ another equivalent payment system that we designate in the ~~Brand Standards~~ Manual or otherwise in writing.

6.16.1.1. ~~6.17.1.1~~ You must give your bank instructions in a form provided or approved by us and obtain the bank's agreement to follow the instructions to effectuate the electronic payment. Your bank may not withdraw, modify or cancel its agreement to abide by our instructions without obtaining our written consent.

6.16.1.2. ~~6.17.1.2~~ You must also execute any other documents or agreements reasonable or necessary to establish or maintain the electronic payment system as we or the bank may reasonably request from time to time. You understand that we may modify the electronic payment system at any time upon written notice and agree to promptly adopt the changes that we impose at your sole expense, which may include changes to the bank instructions.

6.16.1.3. ~~6.17.1.3~~ You must maintain sufficient funds in the designated operating account at all times during the Term to ensure full payment of all fees and other payments required by this Agreement when due. If a payment cannot be made due to insufficient funds in your operating account, we may, in our sole discretion, declare a breach of this Agreement in which case we may (i) terminate this Agreement in accordance with the procedures for termination, or (ii) require that you direct your bank to send us a monthly or periodic statement showing all account activity at the same time that it sends these statements to you or give us electronic access to your account activity if the bank makes electronic access available to its account holders.

6.16.1.4. ~~6.17.1.4~~ Notwithstanding any designation that you may give to a payment that you make, we have sole discretion to apply any payments that we receive from you to any past due indebtedness owed to us or our Affiliates in the amounts and in such order as we will determine.

6.16.1.5. If at any point during the Term you fail to maintain the minimum required insurance coverage for the Franchised Business as specified in the Manual (including, without limitation, worker's compensation insurance), we may, but are not obligated to, obtain such coverage on your behalf. If we elect to obtain coverage on your behalf, you must reimburse us for 125% of our cost to obtain the insurance; we may deduct this amount from Billed Revenue and Collected Revenue.

6.16.2. ~~6.17.2~~ Unless you notify us in writing within 3 days after we debit your operating account of an error in the amount that we have debited, you are barred forever from challenging the amount that we debit. However, if at any time we discover that the amounts that we have debited from your operating account are less than the amounts actually due to us, we may immediately debit your operating account for the balance. We agree that, if the amount that we debit from your operating account exceeds the amount actually due to us at the time, we will credit the excess to your next payment of Service Fees.

6.16.3. ~~6.17.3~~ You must bear all costs to establish and maintain the required electronic payment system meeting our requirements and all fees and charges resulting from insufficient funds being in your bank accounts at the time funds are withdrawn to pay obligations owed to us.

6.17. ~~6.18~~ Late Charge. If you fail to pay any fees or other amounts due to us under this Agreement on or before the date payment is due, which may occur whenever your Billed Revenue is inadequate to allow us to deduct and retain the full amount due to us under this Agreement, we may impose a late charge equal to the product of the total amount owed to us multiplied by 1.5% per month (but not exceeding the maximum legal rate of interest then permitted under Applicable Law) starting on the date payment was due and continuing until the entire sum and late charge is paid in full. You understand and agree that the late charge is not an agreement by us to accept payment after the date payment is due or a commitment by us to extend credit to, or otherwise finance, your obligations to us. Your failure to pay all amounts when due to us shall constitute grounds for termination of this Agreement in accordance with the requirements of this Agreement notwithstanding your obligation to pay a late charge.

6.18. ~~6.19~~ Gross Receipts or Equivalent Taxes. You must pay us the amount of any state or local sales, use, gross receipts, or similar tax imposed by any state or local government on any Service Fees or other fees or payments due to us under this Agreement regardless of whether the state or local tax is imposed directly on us, is required to be withheld by you from amounts due to us under this Agreement, or is otherwise required to be collected by you from us. You must pay us the amount of taxes due and owing by the same date and in the same manner as payment of the Service Fees. Your obligation under this Section will not be reduced or offset by any type of claim, credit or deduction of any kind. This provision will not apply to our liability for income or comparable taxes measured by income that we receive on account of our relationship with you.

6.19. Client Retention Fee. If you elect to pay the Business Generation Fee for a new Account over 36 months, and the new Account terminates within the first 18 months of service, you must pay us a fee equal to one times the initial Account Volume under the Account Contract ("**Client Retention Fee**"); provided, however, that no Client Retention Fee will be due and payable if the termination of the Account is the result of any of the following events affecting the Account: closure of the business, relocation of the business outside the Territory, acquisition of the Account by another entity, or another situation that we determine in our sole discretion warrants waiving the client retention fee.

6.20. Security Interest. To secure your performance under this Agreement, you hereby grant to us a security interest in and to all of your tangible and intangible property used to operate the Franchised Business. We will record appropriate financing statements to protect and perfect our rights as a secured party under Applicable Law. Except with our prior written consent, which we will not unreasonably withhold, it shall be a breach of this Agreement for you to grant another person a security interest in your tangible or intangible assets of the Franchised Business, even if that security interest is subordinate to our security interest.

7. COVENANTS

7.1. ~~7.1~~ Competition. You affirm that it is fair and reasonable for the covenants in this Section pertaining to involvement with a Competitive Business to apply to you and all Covered Persons based on the fact that, by entering into this Agreement, we have provided your ~~Primary Owner, General Manager, and Operations Manager with~~Management Group with access to Confidential Information and special training allowing them to develop special skills to own, operate, and perform Authorized Services. As a result, you agree as follows:

7.1.1. ~~7.1.1~~ During the Term and any Renewal Term, it shall be a breach of this Agreement for you, any Affiliate of yours, or any Covered Person, directly or indirectly, to own (either beneficially or of record), engage in, or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative, or agent, a Competitive Business located anywhere in the United States; provided, however, the restrictions stated in this paragraph shall not apply to any Covered Person for a period longer than one year from the date the Covered Person ceases to be an officer, director, Owner, member, manager (if the Franchisee Business Owner is a limited liability company), trustee, general partner, or General Manager or otherwise associated in any capacity with you.

7.1.2. ~~7.1.2~~ For a period of one year from the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of this Agreement, it shall be a breach of this Agreement for you, any Affiliate of yours, or any Covered Person, directly or indirectly, to own (either beneficially or of record), engage in, or render services to, either as an investor, partner, lender, director, officer, manager, employee, consultant, representative, or agent, any Competitive Business that is located anywhere (i) in your former Territory or within a 15-mile radius from the boundary lines of your Former

Territory; or (ii) in the territory of any other Network Member. However, the restrictions in this paragraph shall not apply to any Covered Person for longer than one year from the date that the Covered Person ceases to be an officer, director, Owner, member, manager (if the Franchisee Business Owner is a limited liability company), trustee, general partner, or General Manager or otherwise associated in any capacity with you.

7.2. ~~7.2~~ Local Law. If any restriction regarding a Competitive Business is void or unenforceable under California law, but would be enforceable as written or as modified under the laws of the state in which the Territory is located (the "**Local Law**"), the parties agree that the Local Law shall govern any dispute concerning or involving the construction, interpretation, validity, or enforcement of the provisions regarding a Competitive Business, but only with respect to that subject. You expressly authorize us to modify the scope of any void or unenforceable covenant in order to conform it to the Local Law. You furthermore expressly agree, on behalf of yourself and each Covered Person, to be bound by any modified covenant conforming to the Local Law as if originally stated in this Agreement.

7.3. ~~7.3~~ Interference. Neither you, any Affiliate of yours, or any Covered Person may, directly or indirectly, divert, or attempt to divert, any business or Account of the Franchised Business to any competitor by direct or indirect inducement or perform any act that directly or indirectly could, or may, injure or prejudice the goodwill and reputation of the Licensed Marks or the iNX System.

7.4. ~~7.4~~ Survival. ~~7.4.1~~ The covenants in this Article shall survive the termination, expiration or an Event of Transfer of this Agreement.

7.5. Other Matters.

7.5.1. ~~7.4.2~~ The covenants in this Article do not forbid you, any Affiliate of yours, or any Covered Person, directly or indirectly, from owning 5% or less of the equity or beneficial interests of a Competitive Business whose shares are publicly traded on a national or foreign stock exchange.

7.5.2. ~~7.4.3~~ You acknowledge that the restrictions in this Article are reasonable and necessary to protect our legitimate business interests.

7.5.3. ~~7.4.4~~ You must cause each Covered Person to execute our form of Confidentiality and Non-Competition Agreement with us substantially in the form of **Schedule ~~10~~5** and containing restrictions substantively identical to the provisions of this Article.

7.5.4. ~~7.4.5~~ You understand and agree that we will suffer irreparable injury not capable of precise measurement in money damages if you, any Affiliate of yours, or any Covered Person, directly or indirectly, breaches the covenants in this Article. Accordingly, in the event a breach occurs, you, on behalf of yourself, your Affiliates, and each Covered Person, hereby consent to issuance or entry of Provisional Remedies without the requirement that you or any of them post a bond or comparable security. You further agree that the award of Provisional Remedies in the event of such breach is reasonable and necessary to protect the goodwill and reputation of the Licensed Marks and iNX System.

8. DEFAULT AND TERMINATION

8.1. ~~8.1~~ Termination by You.

8.1.1. ~~8.1.1~~ You may terminate this Agreement by written notice to us for any reason constituting good cause, provided that termination is accomplished in accordance with the requirements

of this Agreement. Any attempt by you to terminate this Agreement other than on the grounds, or according to the procedures, stated in this Agreement shall be void.

8.1.2. ~~8.1.2~~ Good cause means that we have committed a material and substantial breach of this Agreement that we do not cure within the period allowed by this Agreement. Your written notice must specify with particularity the matters cited to be in default and provide us with a minimum of 30 days in which to cure the default. Additional time to cure must be provided as is reasonable under the circumstances if a default cannot reasonably be cured by us within the minimum 30-day period. Your written notice of termination of this Agreement for good cause shall not excuse you from continuing to perform your obligations under this Agreement during the cure period.

8.2. ~~8.2~~ Termination by Us Without Opportunity to Cure.~~8.2.1~~ We may terminate this Agreement, in our sole discretion and election, effective immediately upon our delivery of written notice of termination to you based upon the occurrence of any of the following events, which shall be specified in our written notice, and you will have no opportunity to cure a termination based on any of the following events:

8.2.1. If you fail to complete all requirements to open the Franchised Business (including, but not limited to, completion of our initial training program by you and your Management Group and submission of business licenses and certificates of insurance) and obtain our approval to begin providing Authorized Services to Accounts under this Agreement as of a Business Start Date that is within 180 days of the Effective Date;

8.2.2. ~~8.2.1.1~~ If you fail or refuse to pay us, on or before the date payment is due, or maintain insufficient funds in your bank account to enable us to receive in full all fees and payments due to us by the date that payment is due, and ~~should~~ the default ~~continue~~continues for a period of 10 days after written notice of default is given by us to you;

8.2.3. ~~8.2.1.2~~ If you fail or refuse to submit any report or financial statement on or before the date due, and ~~should~~ the default ~~continue~~continues for a period of 10 days after written notice of default is given by us to you;

8.2.4. If you fail to obtain or maintain the minimum required insurance coverage for the Franchised Business as specified in the Manual, and the default continues for a period of 10 days after written notice of default is given by us to you;

8.2.5. ~~8.2.1.3~~ If any person who is required by this Agreement to personally ~~guaranty~~guarantee your obligations fails or refuses to execute and deliver to us our form of Personal Guaranty or deliver the financial statements required by this Agreement for a period of 10 days after written notice of default is given by us to you;

8.2.6. ~~8.2.1.4~~ If you commit an event of default under any ~~promissory note or other~~ agreement ~~that~~between you and ~~we are parties to~~us or promissory note pertaining to the Franchised Business or your obligations under this Agreement which, by its terms, cannot be cured or which you fail to cure within the allowed time period;

8.2.7. ~~8.2.1.5~~ If, after we issue a Final Citation Notice, you commit a new default (whether the new default relates to a Performance Standard or some other breach of this Agreement) and fail to cure the new default within 30 days after written notice of default;

8.2.8. ~~8.2.1.6~~ If you make any general arrangement or assignment for the benefit of creditors or become a debtor as that term is defined in 11 U.S.C. § 1101 or any successor statute, unless, in the case where a petition is filed against you, you obtain an order dismissing the proceeding within 60 days after the petition is filed; or if a trustee or receiver is appointed to take possession of all, or substantially all, of the assets of the Franchised Business, unless possession of the assets is restored to you within 60 days following the appointment; or should all, or substantially all, of the assets of the Franchised Business or the franchise rights be subject to an order of attachment, execution or other judicial seizure, unless the order or seizure is discharged within 60 days following issuance;

8.2.9. ~~8.2.1.7~~ If any of your Owners or other duly authorized representative makes a material misrepresentation or omission in obtaining the franchise rights, or if you or any Owner, officer, director, member, manager (if the Franchisee Business Owner is a limited liability company), or general partner is convicted of or pleads no contest to a felony charge or engages in any conduct or practice that, in the exercise of our reasonable business judgment, reflects unfavorably upon or is detrimental or harmful to the good name, goodwill, or reputation of us, the Licensed Marks, or the iNX System;

8.2.10. ~~8.2.1.8~~ If you fail to comply with the conditions governing an actual or attempted Event of Transfer;

8.2.11. ~~8.2.1.9~~ If an order is made or resolution passed for the winding-up or the liquidation of the Franchisee Business Entity or if you adopt or take any action to dissolve or liquidate your assets;

8.2.12. ~~8.2.1.10~~ If you have received from us, during any consecutive 24 month period, 3 or more notices of default (whether or not the notices relate to the same or to different defaults and whether or not each default is timely cured by you);

8.2.13. ~~8.2.1.11~~ If you make any unauthorized use, publication, duplication, or disclosure of any Confidential Information or any portion of the ~~Brand Standards~~ Manual, or if any person required by this Agreement to execute a Confidentiality Agreement with us or with you breaches the Confidentiality Agreement during the time period that the person is employed or engaged by you;

8.2.14. If you or your Affiliate or any Covered Person breaches any covenant in Section 7 of this Agreement;

8.2.15. ~~8.2.1.12~~ If ~~your acts or inactions make it reasonable for us to conclude that you have Abandoned the Franchised Business, unless you obtain~~you, without our prior written consent, fail to ~~close~~operate the Franchised Business for a ~~specified~~ period of ~~time before you ceases regular activities~~five consecutive days for reasons that are not due to an event of Force Majeure, or for any shorter period that makes it reasonable under the facts and circumstances for us to conclude that you do not intend to continue to operate the Franchised Business in the regular course as required by this Agreement;

8.2.16. ~~8.2.1.13~~ If you materially misuse or make an unauthorized use of any of the components of the iNX System or commit any other act that does, or can reasonably be expected, in the exercise of our reasonable business judgment, to impair the goodwill or reputation of us or the iNX System;

8.2.17. ~~8.2.1.14~~ If you fail to comply with any Applicable Law within 10 days after being notified of non-compliance, unless the violation involves public health and safety, in which case the length of the cure period shall be reasonable under the circumstances, but need not exceed 10 days;

8.2.18. ~~8.2.1.15~~ If you reject more than 10% of the prospective Accounts that we present to you in any 13-week period;

8.2.19. ~~8.2.1.16~~ If you fail to satisfy one of the minimum performance requirements identified in this Agreement, which is measured over either a rolling 13 or 26 week period; or

8.2.20. ~~8.2.1.17~~ If we make a reasonable determination in the exercise of our reasonable business judgment that your continued operation of the Franchised Business will result in imminent danger to public health and safety.

8.3. ~~8.3~~ Termination by Us with Right to Cure.

8.3.1. ~~8.3.1~~ If you breach, or refuse to fulfill or perform, any obligation arising under this Agreement not identified in Subsection 8.2 above, or fail or refuse to adhere to any mandatory operating procedure, specification or standard prescribed by us in the ~~Brand Standards~~ Manual or otherwise communicated to you, we may terminate this Agreement, in our sole discretion and election, effective at the close of business 30 days after giving written notice of default to you, which specifies the grounds of default, if you fail to cure the default cited in the notice by the end of the 30-day cure period. We may indicate our decision to terminate by written notice given to you any time before, or after, the end of the 30-day cure period including in the original notice of default.

8.3.2. ~~8.3.2~~ If a default cannot reasonably be cured within 30 days, you may apply to us for additional time to complete the cure. The length of the additional cure period, if any, that we allow must be stated in a writing signed by us. The additional cure period, if any, shall, in our estimation, be sufficient in duration to enable a reasonable person acting diligently to complete the cure within the extended period. If we grant you an extension and if you do not complete the required cure within the extended cure period, termination of this Agreement shall be effective at the close of business on the last day of the extended cure period without further notice from us.

8.4. ~~8.4~~ Effect of Termination. In any proceeding in which the validity of termination of this Agreement is at issue, we are not limited to the reasons set forth in the notice of default or termination given to you.

9. RIGHTS AND DUTIES OF PARTIES UPON EXPIRATION OR TERMINATION

9.1. ~~9.1~~ Your Obligations. ~~On and after the Effective Date of Termination or Expiration~~Upon expiration or termination of this Agreement, we will stop performance of our obligations under this Agreement and you must comply with the following duties:

9.1.1. ~~9.1.1 The~~You must immediately pay us (a) the then-outstanding principal balance and accrued interest under all promissory notes ~~that evidence an obligation to us shall immediately be all due and payable. You must immediately pay us~~you have executed in our favor; and (b) any other amounts then owed to us or our Affiliate ~~then due and unpaid~~. Late charges shall continue to ~~be assessed~~accrue until all amounts due ~~to us~~ are paid in full.

9.1.2. ~~9.1.2 When~~If the termination is based upon your default, you must also pay us all damages, costs and expenses resulting from your default, and reimburse us for our reasonable fees to retain attorneys, accountants, or other experts to enforce our rights under this Agreement ~~in the event of a default and/or termination~~, whether or not mediation or judicial action is commenced.

9.1.3. ~~9.1.3~~ Your payments shall be accompanied by all reports required by us regarding business transactions and the results of operations through the ~~Effective Date~~later of ~~Termination or Expiration~~the following: (a) the effective date of expiration or termination of this Agreement ~~or until~~; and (b) the date that you ~~complete all post-termination or expiration~~cease operation of the Franchised Business and fully comply with your obligations ~~required by~~under this ~~Agreement, whichever occurs later~~Section 9.

9.1.4. ~~9.1.4~~ You must permanently cease using, in any manner whatsoever, ~~all rights and property associated with~~the iNX Intellectual Property and the iNX System, and may not engage in conduct that suggests or implies that you are, or were, an authorized Network Member or remain associated with the iNX System. ~~This obligation includes the duty at your sole expense to~~You must stop using and remove, at your sole expense, all signage, trade dress, materials, and other physical objects that display the Licensed Marks or are~~, or may reasonably be,~~ associated with the iNX System.

9.1.5. ~~9.1.5~~ You must cancel all Local Marketing and other promotional activities that identify you or the former Franchised Business as a Network Member or associate the former Franchised Business with the iNX System, including all social media ~~activities or~~accounts and other materials that display or include your email address, subpage address, or ~~address for~~ the iNX Website URL. You must notify appropriate government authorities that you are no longer doing business under the Assumed Name and cancel any fictitious business name registration relating to your use of the Licensed Marks.

9.1.6. ~~9.1.6~~ You must immediately cease using and, within 48 hours after the ~~Effective Date of Termination or Expiration~~expiration or termination of this Agreement, return to us any physical copies of any portion of the ~~Brand Standards~~ Manual in your possession.

9.1.7. ~~9.1.7~~ Within 48 hours after the ~~Effective Date of Termination or Expiration~~expiration or termination of this Agreement, you must provide us with evidence satisfactory to us that all information in your possession ~~pertaining to~~that comprises or contains Confidential Information ~~have~~has been permanently removed from your computer ~~and permanently~~, erased, or destroyed.

9.1.8. ~~9.1.8~~ You must execute and deliver a ~~mutual~~ general release, in form satisfactory to us, of any and all claims against us, our Affiliates, and our respective officers, directors, shareholders, employees, and agents.

9.1.9. ~~9.1.9~~ You will be allowed to retain a copy of business records that ~~contains~~contain Account Data only if and to the extent that Applicable Law requires you to retain these records. Otherwise, you may not retain any record or copy of information that includes Account Data.

9.1.10. ~~9.1.10~~ You must keep and maintain all records pertaining to the results of your operation of the Franchised Business for 7 years after the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of this Agreement ~~so that we may verify that we have been paid all fees~~, and ~~payments due to us under this Agreement. During this time period, you must permit us an opportunity~~allow us to inspect ~~these~~those records to verify your compliance with your obligations~~.~~ under this Agreement.

9.1.11. ~~9.1.11~~ You must comply, and cause Covered Persons to comply, with ~~the~~all covenants in this Agreement that ~~expressly state that they~~by their terms or by implication apply ~~following~~after the ~~Effective Date of Termination or Expiration~~expiration or termination of this Agreement.

9.2. ~~9.2~~ Our Rights. Upon the ~~Effective Date of Termination or Expiration~~expiration or termination of this Agreement:

9.2.1. ~~9.2.1~~ We will immediately cancel all password and authorized user credentials issued to your ~~Primary Owner, General Manager and Operations Manager~~Management Group permitting access to the Network Portal and cancel all subscriptions giving you the right to access licensed software applications.

9.2.2. ~~9.2.2~~ We will immediately cancel your email address with the iNX Website domain and take down the subpage for the Franchised Business hosted on the iNX Website.

9.3. ~~9.3~~ Personal Guaranty. Upon the ~~Effective Date of Termination or Expiration~~expiration or termination of this Agreement, we may enforce the Personal Guaranty executed by any Personal Guarantor ~~in order~~ to secure payment and performance of your obligations under this Agreement, including those that arise upon or survive the expiration or termination ~~or expiration~~ of this Agreement.

9.4. ~~9.4~~ Option to Purchase Physical Assets.

9.4.1. ~~9.4.1~~ We have the option, but not the obligation, to purchase all, or any, of the physical assets of the Franchised Business, including equipment, supplies, and inventory, by serving you with written notice of our election within 30 days after the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of this Agreement. The purchase price for the assets that we select shall be your original cost less depreciation taken according to generally accepted accounting principles and less any financing that you owe to third parties for which the asset is pledged as security. We shall have the absolute right to set off from the purchase price all sums that you then owe to us or our Affiliates, including damages, costs and expenses and reasonable attorneys' fees in enforcing a default and termination. The right to set off shall not limit our remedies under this Agreement or Applicable Law. Our failure to serve written notice of our election within 30 days after the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of this Agreement shall signify our decision not to purchase any of your physical assets.

9.4.2. ~~9.4.2~~ If we give timely notice to you, you must, within 10 days after you receive our notice, furnish us with documentation substantiating the original cost of each asset that we identify in our notice and the amount of depreciation that you have taken in your federal and state income tax returns. Within 10 days after we receive this information from you, we will notify you of the particular assets that we will purchase and calculate the purchase price for the items in accordance with this Section, and within 10 days after giving this notice, we will pay you the purchase price, less permitted set-offs.

9.4.3. ~~9.4.3~~ We also have the option, but not the obligation, to replace you as lessee under all, or any, equipment lease for equipment that is part of the physical assets of the Franchised Business by indicating that we are including leased equipment in the notice that we provide to you within 30 days after the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of this Agreement. Within 10 days after receiving our notice, you must deliver a true and correct copy of the equipment leases and allow us the opportunity, at a mutually scheduled time, to inspect the leased equipment that we indicate we wish to purchase. Within 10 days following our receipt of this documentation, we will complete any inspection that we choose to make and notify you of the particular leased equipment for which we are prepared to assume the equipment lease. Within 10 days after receiving our notice, you must obtain the consent of the equipment lessor to our assumption of the lease. When we sign any documents required by the equipment lessor to assume the lease, we will agree to

indemnify you from any liabilities arising under the equipment lease after the effective date of our assumption of the lease. Our assumption of the equipment lease will not relieve you from obligations to the lessor that exist before the effective date of our assumption of the lease.

9.4.4. ~~9.4.4~~ You must deliver title and possession of the physical assets that we (i) purchase when we pay you the net purchase price free and clear of all liens and encumbrances not approved by us in writing; and (ii) lease on the effective date of our assumption of the lease.

9.5. ~~9.5~~ Survival of Obligations. All obligations of the parties that expressly, or by their nature, survive the ~~Effective Date of Termination or Expiration~~expiration or termination of this Agreement shall continue in full force and effect ~~subsequent to~~after the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of this Agreement until they are satisfied in full. You remain fully liable for any and all obligations of the Franchised Business, whether incurred before, or after, the ~~Effective Date~~effective date of ~~Termination or Expiration~~expiration or termination of this Agreement, including payments to suppliers and independent contractors, salaries to employees, and taxes.

9.6. ~~9.6~~ Third-Party Rights; Available Remedies.

9.6.1. ~~9.6.1~~ No person acting for the benefit of your creditors or any receiver, trustee in bankruptcy, sheriff or any other officer of a court, or other person in possession of your assets or business shall have the right to assume your obligations under this Agreement without our prior consent.

9.6.2. ~~9.6.2~~ Our right to terminate this Agreement shall not be our exclusive remedy in the event of your default, and we will be entitled, in our sole discretion and election, alternatively or cumulatively, to affirm this Agreement in the event of your default and obtain damages arising from the default, injunctive relief to compel you to perform your obligations under this Agreement or to prevent you from breaching this Agreement, and any other remedy available under Applicable Law.

10. ASSIGNMENT AND TRANSFER

10.1. ~~10.1~~ Assignment by Us. You acknowledge that we maintain a staff to manage and operate the iNX System and that staff members can change from time to time. You represent that you have not signed this Agreement in reliance on any shareholder, director, officer, or employee remaining with us in that capacity for any time period. We are free to transfer and assign all of our rights under this Agreement to any person or Business Entity without prior notice to you or your prior written consent if the assignee agrees in writing to assume our obligations under this Agreement. Upon the assignment and assumption, we have no further obligation to you.

10.2. ~~10.2~~ Delegation of Duties. In addition to our right to assign this Agreement, we have the absolute right to delegate performance of any portion or all of our obligations under this Agreement to any third-party designee of our own choosing, whether the designee is our Affiliate, agent, or an independent contractor. In the event of a delegation of duties, the third-party designee shall perform the delegated functions in compliance with this Agreement. When we delegate our duties to a third party (in contrast to when we transfer and assign ~~all of~~ our rights under this Agreement to a third party that assumes our obligations), we will remain responsible for the performance of the third- party to whom our duties are delegated.

10.3. ~~10.3~~ Assignment by You; In General. You understand and agree that the franchise rights awarded by this Agreement are personal and are awarded in reliance upon, among other considerations,

the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition, and capacity of ~~the~~ Franchisee ~~Business Entity~~'s Owners as well as Franchisee's officers, directors, ~~Owners,~~LLC managers and members ~~(if you are a LLC)~~, trustees, and partners, ~~and Personal Guarantors~~ as applicable.

10.3.1. ~~10.3.1~~ Without our prior written consent, you may not, directly or indirectly, attempt or complete an Event of Transfer either voluntarily or by operation of law except in accordance with this Agreement. We agree not to withhold our consent unreasonably if you satisfy the conditions applicable to an Event of Transfer. We will exercise reasonable business judgment in evaluating if you have satisfied all applicable conditions. Any attempted or purported transfer that fails to comply with the requirements of this Agreement is null and void and a material default of this Agreement.

10.3.2. ~~10.3.2~~ Our consent to an Event of Transfer is not a representation of the fairness of the terms of any contract between you and the proposed transferee, a guarantee of the Franchised Business's or transferee's prospects for success, or a waiver of any claims that we or our Affiliates may have against you or any Personal Guarantor.

10.3.3. ~~10.3.3~~ Unless you obtain our prior written consent, which we may withhold in our sole discretion, you must include in the same proposed Event of Transfer transaction all of your rights, title, and interest in and to any other Franchise Agreement then in effect by and between us and either you or an Affiliate of yours pertaining to another Franchised Business that is either open and operating or has been signed, but has not yet reached its Business Start Date.

10.4. ~~10.4~~ Our Right of First Refusal.

10.4.1. ~~10.4.1~~ If you or an Owner to whom an offer is directed (the "**Individual Transferor**"), receives a bona fide written offer ("**Third-Party Offer**") from a third-party purchaser to acquire any Ownership Interest or otherwise complete a transaction which, if consummated, will result in an Event of Transfer, you or the Individual Transferor shall, within 5 days after receiving the Third-Party Offer and before accepting it, apply to us in writing for our consent to complete the proposed Event of Transfer on the terms of the Third-Party Offer. Additionally, the following conditions shall apply:

10.4.1.1. ~~10.4.1.1~~ You, or the Individual Transferor, shall attach to your application for consent to complete the proposed Event of Transfer (i) a complete copy of the Third-Party Offer ~~together with~~(including all material terms); (~~i~~ii) information relating to the proposed transferee's experience and personal, business and financial qualifications; (~~ii~~)iii) a copy of the transferee's current financial statement~~.~~; (iv) the transferee's proposed business plan for the Franchised Business; and (~~iii~~)v) any other information material to the Third-Party Offer, proposed transferee, proposed Event of Transfer or that we reasonably request.

10.4.1.2. ~~10.4.1.2~~ We or our nominee shall have the right, exercisable by written notice ("**Notice of Exercise**") given to you or the Individual Transferor, within 30 days following receipt of the Third-Party Offer, all supporting information, and the application for consent, to notify you or the Individual Transferor that we will purchase or acquire the rights, assets, equity, or interests proposed to be assigned on the same terms and conditions set forth in the Third-Party Offer, except that we may (i) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third-Party Offer; (ii) deduct from the purchase price the amount of any commission or fee otherwise payable to any broker or agent in connection with the Third-Party Offer; ~~and~~ (iii) deduct all amounts then due and owing from you to us or our Affiliates; and (iv) convert the offer from an equity purchase to a purchase of Franchisee's assets and stated liabilities

only. If we give timely Notice of Exercise, the assets or equity interests that we purchase from you or the Individual Transferor must be free and clear of liens. If any asset or equity interests are pledged as security for financing that is then unpaid, we may further deduct from the purchase price the remaining amount payable under the terms of financing.

10.4.1.3. ~~10.4.1.3~~ The closing shall take place ~~at our headquarters~~: (i) either virtually or at an appropriate location in Portland, Oregon or as otherwise agreed (ii) at a mutually agreed upon date and time, but not later than 90 days following our receipt of the Third-Party Offer, all supporting information, and the application for our consent to complete the proposed Event of Transfer.

10.4.1.4. ~~10.4.1.4~~ At the closing, you or the Individual Transferor shall deliver to us the same documents, affidavits, warranties, indemnities, and instruments as would have been delivered by you or the Individual Transferor to the transferee pursuant to the Third-Party Offer. Additionally, you and the Individual Transferor shall deliver a ~~mutual~~ general release, in form satisfactory to us, of any and all claims against us, our Affiliates, and our respective officers, directors, shareholders, employees, and agents.

10.4.1.5. ~~10.4.1.5~~ All costs, fees, document taxes, and other expenses incurred in connection with consummation of the transaction with us shall be allocated between you or the Individual Transferor and us in accordance with the terms of the Third-Party Offer, and any costs not allocated shall be paid by you or the Individual Transferor.

10.5. ~~10.5~~ Conditions of Assignment to Third Party.

10.5.1. ~~10.5.1~~ If we do not exercise our right of first refusal, you may not complete the Event of Transfer unless you obtain our prior written consent. An Event of Transfer or attempt to complete an Event of Transfer that takes place in violation of this provision is a breach of this Agreement.

10.5.2. ~~10.5.2~~ As a condition to our consent to an Event of Transfer, the following conditions must be satisfied:

10.5.2.1. ~~10.5.2.1~~ The proposed transferee must submit a completed franchise application to us and meet our then-current qualifications for new iNX franchisees, including qualifications pertaining to financial condition, credit rating, business experience, moral character, and reputation. Our evaluation of the proposed transferee's financial condition shall take into account the amount the proposed transferee is obligated to pay to you to consummate the Event of Transfer.

10.5.2.2. ~~10.5.2.2~~ As of the date consent is requested and through the date of closing of the proposed transfer and assignment, you may not be in default under this Agreement and must be current with all monetary obligations owed to third parties, including our Affiliates.

10.5.2.3. ~~10.5.2.3~~ The proposed transferee must be a Business Entity in good standing and agree to confine its business activities to operating the Franchised Business after the closing of the Event of Transfer and not invest its assets or resources except to perform duties under this Agreement with us. The proposed transferee must execute all other documents and agreements required by us to consummate the Event of Transfer.

10.5.2.4. ~~10.5.2.4~~ The proposed transferee shall execute our then-current Franchise Agreement that we are offering to new iNX franchisees. If we are not then awarding new iNX

franchises, we will allow the proposed transferee to execute appropriate documentation agreeing to assume all of your obligations under this Agreement arising on or after the closing date of the Event of Transfer.

10.5.2.5. ~~10.5.2.5~~ You must pay us, at the time you submit your application for our consent to complete the proposed Event of Transfer, a transfer fee equal to the greater of (i) $5,000; or (ii) calculated based on your most recent monthly Billed Revenue as the sum of 25% of the first $20,000 of Billed Revenue for the most recent Accounting Month plus 10% of Billed Revenue over $20K for that Accounting Month. ~~However, you~~You further agree that if we identify the proposed transferee at your request, you must pay us a transfer fee that is 20% more than the greater of (i) or (ii). You acknowledge that we may determine that is necessary for us to provide additional assistance to transition Accounts in connection with an Event of Transfer, and that the Transfer Fee is intended in part to compensate us for such additional costs. The Transfer Fee is fully earned when paid. However, we will refund the Transfer Fee, less $1,500, if we determine that the proposed transferee does not meet our then-current qualifications for new iNX franchisees and refuse to consent to the proposed Event of Transfer.

10.5.2.6. ~~10.5.2.6~~ You must execute and deliver a ~~mutual~~ general release, in form satisfactory to us, of any and all claims against us, our Affiliates, and our respective officers, directors, shareholders, employees, and agents.

10.5.2.7. ~~10.5.2.7~~ The proposed transferee must execute all other documents and agreements required by us to consummate the Event of Transfer. Each person who ~~at~~as of the ~~time~~closing of the Event of Transfer ~~closes~~ owns ~~any~~20% or more of the outstanding Ownership ~~Interest of~~Interests in the ~~proposed~~ transferee must execute our then-current form of Personal Guaranty ~~unless the then-current Franchise Agreement sets a higher percentage Ownership Interest threshold, in which case the percentage in the then-current Franchise Agreement shall control~~.

10.5.2.8. ~~10.5.2.8~~ Your right to receive the sales proceeds from the proposed transferee shall be subordinate to the proposed transferee's and your duties owed to us and our Affiliates under this Agreement as of the effective date of the Event of Transfer. All contracts by and between you and the proposed transferee shall expressly include a subordination provision permitting payment of the sales proceeds to you only after any outstanding obligations that the proposed transferee owes to us and our Affiliates are fully satisfied.

10.5.2.9. ~~10.5.2.9~~ Until the proposed transferee satisfies minimum training requirements, you must remain responsible for day-to-day management of the Franchised Business. The proposed transferee must qualify at least one General Manager and one Operations Manager within 60 days after the Event of Transfer closing date by completing, to our satisfaction, our initial training program training course that we then offer to new Network Members. You will remain responsible for operation and management of the Franchised Business until the buyer qualifies at least one General Manager and Operations Manager.

10.5.2.10. ~~10.5.2.10~~ Neither our exercise of our right of first refusal, our consent to an Event of Transfer, nor your consumption of an Event of Transfer shall operate to release you or any Personal Guarantor from the obligations that expressly, or by their nature, survive the ~~Effective Date of Termination or Expiration~~expiration or termination of this Agreement, including the provisions regarding non-disclosure of Confidential Information and the covenants pertaining to a Competitive Business.

10.5.3. ~~10.5.3~~ You may only complete the Event of Transfer to the proposed transferee on the terms identified in the Third-Party Offer or as otherwise stated in your application for consent. If there is any material change in the terms of the Third-Party Offer after you apply to us for our consent, we have a right of first refusal to accept the new terms subject to the conditions stated in this Section.

10.5.4. ~~10.5.4~~ If we consent to the Event of Transfer to the proposed transferee, the transfer must close within 60 days from the date the Third-Party Offer is first submitted to us unless you request in writing, and we agree to grant, an extension of time to close the Event of Transfer, which consent we agree not to unreasonably withhold. If we refuse to grant the extension of time, you must again offer us the opportunity to exercise our right of first refusal subject to the conditions stated in this Section.

10.6. ~~10.6~~ Business Entity Franchisee.

10.6.1. ~~10.6.1~~ On or before the Effective Date of this Agreement, you must furnish to us a copy of your articles of incorporation, by-laws, operating agreement, partnership agreement or other governing agreement, and a list of all persons owning an Ownership Interest of the Franchisee Business Entity. You must additionally compete **Schedule ~~4~~2** to this Agreement with information current as of the Effective Date. During the Term, you must promptly provide us with a copy of any amendments to, or changes in, your articles of incorporation, by-laws, operating agreement, partnership agreement or other governing agreement and changes to the information on **Schedule ~~4~~2**.

10.6.2. ~~10.6.2~~ You must maintain stop transfer instructions against the transfer on your records of any Ownership Interest. Each certificate representing an Ownership Interest must bear a legend, in the form stated in the ~~Brand Standards~~ Manual, that the Ownership Interest is held, and further assignment or transfer of the Ownership Interest is, subject to all restrictions imposed upon an Event of Transfer in this Agreement.

10.7. ~~10.7~~ Death or Incapacity.

10.7.1. ~~10.7.1~~ Subject to the provisions of this Section, if an Event of Transfer occurs due to the death or Incapacity of a Primary Owner, your remaining Owners (collectively referred to as the "**Successor**") shall have 180 days from the date of death to complete the sale or assignment of the interest to a qualified, approved third party pursuant to the procedures applicable to an Event of Transfer. At the end of the 180-day period, if the Successor has not qualified a replacement General Manager or obtained our consent to complete the Event of Transfer, we may, at our election, terminate this Agreement.

10.7.2. ~~10.7.2~~ Immediately following the date of death or Incapacity, if the Successor cannot identify one of its employees that has previously qualified as a General Manager, we will have the absolute right, but not the obligation, to assume day-to-day management of the Franchised Business for your account. If there is no substitute General Manager ~~who~~whom you can nominate or whom we are willing to approve, we will notify you within 5 days after we become aware of the ~~date of~~ death or Incapacity ~~if~~whether we will elect to assume day-to-day management on your behalf. If we make this election, you agree that, in exchange for our management services, we will be entitled to receive the Management Fee during the period of our management (including travel days to the Territory) and be reimbursed for (i) all of our direct costs and expenses in rendering management services; and (ii) our reasonable travel expenses, including expenses for air and ground transportation, lodging, meals, and miscellaneous travel-related personal charges. For the sake of clarity, the Management Fee is in addition to, not in lieu of, the Service Fees and other fees and payments due and payable by you to us under this

Agreement. We may pay ourselves the Management Fee on or before the 5th day of each Accounting Month during the management period out of the cash flow of the Franchised Business.

10.7.3. ~~10.7.3~~ This Agreement shall otherwise continue in full force and effect during the period of our day-to-day management. The Successor's failure or refusal to cooperate with our right to turn management of the Franchised Business over to us during the interim period if required by this Section shall constitute a breach of this Agreement.

10.7.4. ~~10.7.4~~ The parties recognize that our right to manage the Franchised Business is primarily intended to facilitate an orderly transition of ownership with minimal disruption to the Franchised Business's continuous operation. ~~We will~~If we elect to manage the Franchised Business, we will do so only until the Successor obtains our consent to the Event of Transfer, but in no event ~~shall we be required to manage the Franchised Business for~~ longer than 180 days. By mutual agreement, the period of our management may be extended for longer than 180 days, but in no event ~~shall~~will it extend beyond one year from the date of death or Incapacity. If the Successor cannot obtain our consent to a proposed transferee by the end of one year, we may terminate this Agreement.

10.7.5. ~~10.7.5~~ You acknowledge that we recommend that the Franchised Business at all times have more than one person qualified to serve as a General Manager so that, in the event of the death or Incapacity of a Primary Owner who is your designated General Manager, you are not left without a qualified General Manager. We have no liability to you if we elect not to manage the Franchised Business following the death or Incapacity of a Primary Owner and this leaves you without a qualified General Manager.

10.7.6. ~~10.7.6~~ During the time that we manage the Franchised Business, we will periodically discuss the status of the Franchised Business's operations and financial results with the Successor and provide suitable current information about the Franchised Business's performance as the Successor may reasonably require to account for the financial condition of the Franchised Business.

11. RELATIONSHIP OF PARTIES~~:~~ AND INDEMNIFICATION~~: SECURITY INTEREST~~

11.1. ~~11.1~~ Independent Owner. This Agreement does not create a fiduciary relationship between the parties, nor does it make either party a general or special agent, joint venturer, partner, or employee of the other for any purpose. With respect to all matters, your relationship to us is as an independent contractor. You are the independent owner of the Franchised Business and in sole control of all aspects of its operation, and must conduct your business using your own judgment and sole discretion, subject only to the provisions of this Agreement. You must conspicuously identify yourself in all advertising and all dealings with Accounts, vendors, suppliers, employees, and other third parties as the sole owner of the Franchised Business operating under a license from us in the format that we prescribe in this Agreement and in ~~this Brand Standards~~the Manual.

11.2. ~~11.2~~ Indemnification by You.

11.2.1. ~~11.2.1~~ You must indemnify and hold us, our Affiliates, and our respective officers, directors, shareholders, employees, agents, successors, and assigns, harmless from and against any and all costs, expenses, losses, liabilities, damages, causes of action, claims, and demands whatsoever, arising from or relating to the Franchised Business, whether or not arising from bodily injury, personal injury or property damage, infringement (other than Third-Party Claims within the scope of our agreement to indemnify you as set forth in his Agreement), or any other violation of the rights of others, or in any other way, subject to the provisions of this Agreement.

11.2.2. ~~11.2.2~~ We have the right to retain our own counsel to defend any third-party claim asserted against us that is covered by this indemnification agreement.

11.2.3. ~~11.2.3~~ Your indemnification and defense obligations shall survive the ~~Effective Date of Termination or Expiration~~expiration or termination of this Agreement or an Event of Transfer, regardless of the ~~cause or~~ reason that this Agreement ends.

11.2.4. ~~11.2.4~~ Your indemnification obligations shall extend to (i) all claims for actual, consequential, and punitive damages; (ii) claims for lost profits; (iii) costs of investigation; (iv) costs and expenses incurred in defending any claim within the scope of your indemnification including attorneys and other professional fees, court costs, and travel and living expenses necessitated by the need or desire to appear before (or witness the proceedings of) courts or tribunals (including arbitration tribunals), or government or quasi-governmental entities (including those incurred by our attorneys, experts and advisors); (v) costs and expenses for any refunds, compensation or public notices; (vi) claims based on alleged "vicarious," "principal/agent," "misclassification," "joint employer," or other legal theories as a result of our status as the owner of the Licensed Marks; and (vii) costs and expenses that we or any of the indemnified parties incur as a result of any litigation or insolvency proceedings involving you (whether or not you are a party in the proceeding).

11.2.5. ~~11.2.5~~ The scope of your indemnification obligations shall apply regardless of whether a claim brought against us, our Affiliates, or any of the indemnified individuals is reduced to final judgment or results in settlement. The indemnified parties shall have the right to retain their own counsel to defend any third-party claim that is covered by this indemnification agreement. The scope of your indemnification obligations shall not be limited by decisions that an indemnified party makes in connection with their defense.

11.2.6. ~~11.2.6~~ If a final judgment results in a finding that an indemnified party's liability is due to the indemnified party's gross negligence, willful misconduct, or criminal acts, any costs or expenses paid or incurred by you pursuant to your indemnification obligation shall promptly be reimbursed in full by the indemnified party to you except to the extent that the final judgment finds you jointly liable, in which event your indemnification obligation will extend to any finding of your comparative or contributory negligence.

11.2.7. ~~11.2.7~~ You must give us written notice of any claim, matter, inquiry, or investigation that could be the basis for a claim for indemnification promptly after you have actual knowledge or are deemed to have constructive knowledge of the claim, matter, inquiry, or investigation. You must fully cooperate with us in connection with our handling of the claim, matter, inquiry, or investigation. We have no duty to seek recovery from third parties to mitigate our losses or reduce your liability under your indemnification obligation.

~~11.3 Security Interest. To secure your performance under this Agreement, you hereby grant to us a security interest in and to all of your tangible and intangible property used to operate the Franchised Business. We will record appropriate financing statements to protect and perfect our rights as a secured party under Applicable Law. Except with our prior written consent, which we will not unreasonably withhold, it shall be a breach of this Agreement for you to grant another person a security interest in your tangible or intangible assets of the Franchised Business even if that security interest is subordinate to our security interest.~~

12. PERSONAL GUARANTY

12.1. ~~12.1~~ Scope. Each person who is or becomes a ~~Personal Guarantor~~Primary Owner shall promptly furnish any financial information reasonably required by us and execute our Personal Guaranty in the form attached as **Schedule ~~2~~3**. The Personal Guaranty requires the Personal Guarantor to agree, jointly and severally, to personally ~~guaranty the~~guarantee Franchisee's obligations owed to us ~~by the Business Entity that is identified as the "Franchisee"~~ under this Agreement.

12.2. ~~12.2~~ Default. An event of default under this Agreement shall occur if, within 10 days after our written request, a Personal Guarantor fails or refuses to deliver to us: (i) a duly executed Personal Guaranty, and (ii) true, correct, and current financial information as we may from time to time request.

13. DISPUTE RESOLUTION

13.1. ~~13.1~~ Agreement to Mediate Disputes. Except as otherwise provided in subparagraph B of this Section, neither party to this Agreement shall bring an action or proceeding to enforce or interpret any provision of this Agreement, or seeking any legal remedy based upon the relationship created by this Agreement or an alleged breach of this Agreement, until the dispute has been submitted to mediation conducted in accordance with the procedures stated in this Agreement.

13.1.1. ~~13.1.1~~ The mediation shall be conducted pursuant to the rules of JAMS ("**Mediation Service**"). Either party may initiate the mediation ("**Initiating Party**") by notifying the Mediation Service in writing, with a copy to the other party ("**Responding Party**"). The notice shall describe with specificity the nature of the dispute and the Initiating Party's claim for relief. Thereupon, both parties will be obligated to engage in the mediation, which shall be conducted in accordance with the Mediation Service's then-current rules, except to the extent the rules conflict with this Agreement, in which case this Agreement shall control.

13.1.2. ~~13.1.2~~ The mediator must be either a practicing attorney with experience in business format franchising or a retired judge, with no past or present affiliation or conflict with any party to the mediation. You and we each agree that the mediator and the Mediation Service's employees shall be disqualified as a witness, expert, consultant, or attorney in any pending or subsequent proceeding relating to the dispute that is the subject of the mediation.

13.1.3. ~~13.1.3~~ The fees and expenses of the Mediation Service, including the mediator's fee and expenses, shall be shared equally by the parties. Each party shall bear its own attorney's fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation or the mediator's evaluation of each party's case.

13.1.4. ~~13.1.4~~ The mediation conference shall commence within 30 days after selection of the mediator. Regardless of whether we or you are the Initiating Party, the mediation shall be conducted ~~at our headquarters at the time~~in Portland, Oregon, unless the parties otherwise agree or as required by Applicable Law.

13.1.5. ~~13.1.5~~ The parties shall participate in good faith in the entire mediation, including the mediation conference, with the intention of resolving the dispute, if at all possible. The parties shall each send at least one representative to the mediation conference who has authority to enter into a binding contract on that party's behalf and on behalf of all principals of that party who are required by the terms of the parties' settlement to be personally bound by it. You and we mutually recognize and

agree, however, that the mediator's recommendations and decision shall not be binding on either one of us or our principals or representatives.

13.1.6. ~~13.1.6~~ The mediation conference shall continue until its conclusion, which is deemed to occur when: (i) a written settlement is reached, (ii) the mediator concludes, after a minimum of 8 hours of mediation, and informs the parties in writing, that further efforts would not be useful, or (iii) the parties agree in writing that an impasse has been reached. Neither party may withdraw before the conclusion of the mediation conference.

13.1.7. ~~13.1.7~~ The mediation proceeding will be treated as a compromise settlement negotiation. All offers, promises, conduct, and statements, whether oral or written, made in the course of the mediation proceeding by any party or their agents, experts, counsel, employees, or representatives, and by the mediator and the Mediation Service's employees, are confidential. Such offers, promises, conduct, and statements may not be disclosed to any third party and are privileged and inadmissible for any purpose, including impeachment, under applicable federal and state laws or rules of evidence; provided however, that evidence otherwise discoverable or admissible shall not be rendered not discoverable or inadmissible as a result of its use in the mediation. If a party informs the mediator that information is conveyed in confidence by the party to the mediator, the mediator will not disclose the information.

13.1.8. ~~13.1.8~~ If one party breaches this Agreement by refusing to participate in the mediation or not complying with the requirements for conducting the mediation, the non-breaching party may immediately file suit and take such other action to enforce its rights as permitted by Applicable Law and the breaching party shall be obligated to pay: (i) the mediator's fees and costs; (ii) the non-breaching party's reasonable attorneys' fees and costs incurred in connection with the mediation; and (iii) to the extent permitted by Applicable Law, the non-breaching party's reasonable attorneys' fees and costs incurred in any suit arising out of the same dispute, regardless of whether the non-breaching party is the prevailing party. Additionally, the breaching party shall forfeit any right to recover their attorneys' fees and costs should it prevail in the lawsuit. The parties agree that the foregoing conditions are necessary in order to encourage meaningful mediation as a means for efficiently resolving any disputes that may arise.

13.2. ~~13.2~~ Exceptions to Duty to Mediate Disputes.

13.2.1. ~~13.2.1~~ The obligation to mediate shall not apply to any disputes, controversies or claims between the parties (whether or not they involve any other person or Business Entity) where (i) the monetary relief sought is under $10,000; or (ii) either party seeks Provisional Remedies to preserve the status quo or prevent irreparable injury, including a claim for Provisional Remedies to preserve the status quo pending the completion of a mediation proceeding. In connection with any application for Provisional Remedies, each party may conduct discovery on an expedited basis. The party awarded interim or injunctive relief shall not be required to post bond.

13.2.2. ~~13.2.2~~ Additionally, notwithstanding a party's duty to mediate disputes under this Agreement, a party may file an application before any court of competent jurisdiction seeking Provisional Remedies whether or not the mediation has already commenced. An application for Provisional Remedies shall neither waive nor excuse a party's duty to mediate under this Agreement. However, once a party files an application for Provisional Remedies, the time period for mediation in this Agreement shall be tolled pending the court's ruling on the application for Provisional Remedies. The party that is awarded Provisional Remedies shall not be required to post bond or comparable security.

13.3. ~~13.3~~ Judicial Relief.

13.3.1. ~~13.3.1~~ You and we each agree that (i) all disputes arising out of or relating to this Agreement that are not resolved by negotiation or mediation, and (ii) all claims that this Agreement expressly excludes from mediation, shall be brought exclusively in ~~the federal or state courts located closest to our headquarters at the time the complaint is filed. You acknowledge and agree that we may relocate our headquarters in our sole discretion at any time without notice to you~~Multnomah County Circuit Court or the United States District Court for the District of Oregon, except as otherwise agreed, and you give your advance consent to submit to the personal jurisdiction of ~~the~~those state and federal courts ~~located closest to our headquarters at the time a dispute arises. You and we mutually acknowledge that selecting a forum in which to resolve disputes arising between us is important to promote stability in our relationship and therefore both parties intend to be bound by their agreement to submit to the personal jurisdiction of the courts selected by them as the judicial venue where disputes within the scope of (i) and (ii) shall be resolved~~.

13.3.2. ~~13.3.2~~ To the fullest extent that you may effectively do so under Applicable Law, you waive the defense of an inconvenient forum to the maintenance of an action in the courts identified in this Section and agree not to commence any action of any kind against us, our Affiliates, or our and our Affiliates' respective officers, directors, shareholders, LLC managers and members, employees, agents, or property arising out of or relating to this Agreement, except in the courts identified in this Section.

13.4. ~~13.4~~ Expedited Discovery. In connection with any application for Provisional Remedies, each one of us may conduct discovery on an expedited basis.

13.5. ~~13.5~~ WAIVER OF JURY TRIAL. YOU AND WE EACH HEREBY WAIVE OUR RESPECTIVE RIGHT TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM, OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING AND/OR HEARING BROUGHT BY EITHER ONE OF US ON ANY MATTER WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP CREATED BY THIS AGREEMENT, THE USE OF THE iNX SYSTEM, OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE, REGULATION, EMERGENCY, OR OTHERWISE, NOW OR HEREAFTER IN EFFECT, TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW.

13.6. ~~13.6~~ Choice of Law. Except as otherwise provided in this Agreement with respect to the possible application of Local Law in enforcing the provisions addressing operation of a Competitive Business, the parties agree that California law shall govern the construction, interpretation, validity, and enforcement of this Agreement and shall be applied in any mediation or judicial proceeding to resolve all disputes between them, except to the extent the subject matter of the dispute arises exclusively under federal law, in which event the federal law shall govern.

13.7. ~~13.7~~ Limitations Period. To the extent permitted by Applicable Law, any legal action of any kind arising out of or relating to this Agreement or its breach, including, without limitation, any claim that this Agreement or any of its parts is invalid, illegal or otherwise voidable or void, must be commenced by no later than one year from the date of the act, event, occurrence, or transaction that constitutes or gives rise to the alleged violation or liability; provided, however, the applicable limitations period shall be tolled during the course of any mediation that is initiated before the last day of the limitations period with the tolling beginning on the date that the Responding Party receives the Initiating Party's demand for mediation and continuing until the date that the mediation is either concluded, or

suspended due to a party's failure or refusal to participate in the mediation in violation of this Agreement.

13.8. ~~13.8~~ Punitive or Exemplary Damages. On behalf of each one of us and on behalf of our respective Affiliates, directors, officers, shareholders, Owners, LLC managers and members, Personal Guarantors, employees, and agents, as applicable, the parties waive, to the fullest extent permitted by Applicable Law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, each party is limited to recovering only the actual damages proven to have been sustained by that party.

13.9. ~~13.9~~ Liquidated Damages.

13.9.1. ~~13.9.1~~ If this Agreement is terminated due to your breach, you agree that we may recover liquidated damages calculated in the manner provided in this Section ("**Liquidated Damages**"). The calculation of Liquidated Damages is based on our mutual good faith estimate of the amount of time it would take us to find a replacement franchisee for the Territory and for the replacement to generate Service Fees and other revenue payable to us equivalent to the amounts that you have paid or should have paid to us before the ~~Effective Date of Termination~~effective date of termination.

13.9.2. ~~13.9.2~~ We mutually agree that Liquidated Damages shall be equal to the product of the average ~~of the~~monthly Service Fees paid, or that should have been paid, to us during the last 24 Accounting Months immediately before the ~~Effective Date of Termination~~effective date of termination of this Agreement, times 24. If the ~~Effective Date of Termination takes place~~termination occurs before the end of the first 24 Accounting Months after the Business Start Date, the parties will compute the average ~~of the~~monthly Service Fees paid, or that should have been, during the period of operation before the ~~Effective Date of Termination~~effective date of termination and multiply this average by 24.

13.9.3. ~~13.9.3~~ The amount of Liquidated Damages shall not be reduced by any claims that you have against us for set off or otherwise. Furthermore, the Liquidated Damages calculation shall not be affected by the fact that during the calculation period Service Fees may not have been paid or had been forgiven, setoff, or waived by us for any reason.

13.9.4. ~~13.9.4~~ We each acknowledge and agree that the method for calculating Liquidated Damages represents our mutual reasonable endeavor to estimate a fair average compensation for our loss due to your breach and a decision to provide for Liquidated Damages spares both of us the cost and inconvenience of having to prove our actual damages and engage expert witnesses to support this burden of proof.

13.10. ~~13.10~~ Attorneys' Fees. Except as expressly provided in this Agreement, in any action or proceeding brought to enforce any provision of this Agreement or arising out of or in connection with the relationship of the parties hereunder, the prevailing party shall be entitled to recover against the other its reasonable attorneys' fees and court costs in addition to any other relief awarded by the court. As used in this Agreement, the "**prevailing party**" is the party who recovers greater relief in the action.

13.11. ~~13.11~~ Waiver of Collateral Estoppel. You and we each agree that we should be able to settle, mediate, litigate, or compromise disputes in which either one of us, but not both of us, may be, or become, involved with third parties without having the dispute affect their rights and obligations to each other under this Agreement. You and we each agree, therefore, that a decision by an arbitrator or judge in any third-party proceeding or action in which either you or us, but not both, is a party shall not prevent the party to the proceeding or action from making the same or similar arguments, or taking the same or

similar positions, in any proceeding or action between us where we are both parties. You and we each waive the right to assert that principles of collateral estoppel prevent the other from raising any claim or defense in an action or proceeding in which we are both parties, even if the other lost a similar claim or defense in another third-party action or proceeding in which either you or us, but not both, was a party.

13.12. ~~13.12~~ Waiver of Class Action Relief. You and we each agree that any mediation or litigation initiated or brought by either party against the other will be conducted on an individual, not on a class-wide, basis. You hereby agree to waive any class action proceeding or counterclaim in respect of any dispute against us or our Affiliates, or our and our Affiliates' respective officers, directors, shareholders, LLC managers and members, employees, agents, attorneys, accountants, associates or guarantors, successors or assigns, whether at law or equity.

13.13. ~~13.13~~ Survival. The covenants and obligations in this Section 13 shall survive the termination, expiration or an Event of Transfer of this Agreement.

14. ~~YOUR~~FRANCHISEE'S REPRESENTATIONS ~~TO US.~~

To induce us to enter into this Agreement with you, you acknowledge, agree, and represent to us as follows:

14.1. ~~14.1~~ Your Owners. **Schedule ~~4~~2** is a true and correct list of your Owners and their Ownership Interest as of the Effective Date. During the Term, you must notify us of all changes to **Schedule ~~4~~2** promptly after they occur (whether the change involves adding new Owners, deleting Owners, updating the percentage Ownership Interest that each Owner owns, or making any other changes to **Schedule ~~4~~2**).

14.2. ~~14.2~~ Acceptance of Conditions. You have read this Agreement and our Franchise Disclosure Document and understand and accept the terms, conditions, and covenants in this Agreement as being reasonably necessary to maintain our standards of service and quality and to protect and preserve our rights in the iNX System and the goodwill associated with the Licensed Marks.

14.3. ~~14.3~~ Independent Investigation. You have conducted an independent investigation of the business contemplated by this Agreement. You recognize that the iNX System may evolve and change over time and that we may modify the iNX System at any time and for any reason without prior notice to you or your consent if we believe, in our sole discretion, the modification will benefit Network Members generally and strengthen consumer awareness of, and confidence in, the Licensed Marks. You are aware that we cannot predict the nature of future changes to the iNX System or the amount of your future investment to adopt future changes.

14.4. ~~14.4~~ No Representations.

14.4.1. ~~14.4.1~~ By executing this Agreement, you represent and warrant that no person acting on our behalf has made any representations or promises to you that are not in this Agreement, including representations or promises about actual or potential sales, earnings, gross profits, or net profits that you can expect to earn by acquiring an iNX franchise. No representations have been made by us, our Affiliates or our respective officers, directors, owners, employees, or agents that are contrary to statements made in this Agreement or in the Franchise Disclosure Document ~~previously received by you or to the terms in~~delivered to you before your execution of this Agreement.

14.4.2. ~~14.4.2~~ You acknowledge that you are entering into this Agreement without any promise or ~~guaranty~~guarantee that during each Accounting Month or any other period during the Term (i) we will offer you a minimum number of AAAs; (ii) each AAA that we offer you will provide for a minimum amount of Billed Revenue for the Scope of Work described in the AAA; or (iii) you will receive a minimum amount of Collected Revenue.

14.5. ~~14.5~~ Signatory Status. The person executing this Agreement as or on behalf of ~~the~~ Franchisee ~~Business Entity~~, and each Personal Guarantor, is a United States citizen or a lawful resident alien of the United States.

14.6. ~~14.6~~ Status of Franchisee. You understand that, as a condition of the franchise license, you must remain duly organized as a Business Entity and in good standing under the laws of the state where you are incorporated or organized for as long as this Agreement is in effect and you own the franchise license.

14.7. ~~14.7~~ Application and Financial Information. All financial and other information provided to us in connection with your application to acquire an iNX franchise license is true and correct, and no material information or fact has been omitted that is necessary in order to make the information disclosed not misleading.

14.8. ~~14.8~~ Success of Franchised Business. You understand and agree that owning the Franchised Business involves business risks and the success of the Franchised Business will depend on your management's investment of time, capital, and personnel; the business abilities and experience of your management; your marketing efforts; local competition; consumer preferences; inflation; labor costs; prevailing economic conditions; and similar types of market conditions, any or all of which may change over time and are difficult to anticipate. You are not entering into this Agreement based upon any express or implied ~~guaranty~~guarantee or assurance that the Franchised Business will be successful or profitable.

14.9. ~~14.9~~ Anti-Terrorism Representations. You represent that none of your assets are currently subject to being blocked under, and you are not otherwise in violation of ~~Applicable Law including~~, any Anti-Terrorism Laws. ~~Additionally, you~~You agree to comply with and assist us to the fullest extent possible in our efforts to comply with Anti-Terrorism Laws. Any violation of, or "blocking" of assets under, any Anti-Terrorism Laws will constitute a breach of this Agreement and grounds for immediate termination without an opportunity to cure. "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future Applicable Law addressing or relating to acts of war or terrorism.

15. MISCELLANEOUS

15.1. ~~15.1~~ Notices.

15.1.1. ~~15.1.1~~ All communications required or permitted to be given by one party to the other under this Agreement must be in writing and shall, if properly addressed to the other party, be deemed to be given on the earliest of: (i) the time and date when delivered by hand; (ii) the time and date when delivered by email, if confirmation of transmission is received or can be established by the sender; (iii) one business day after delivery to a reputable national overnight delivery service; or (iv) five days after being sent by U.S. certified or registered mail, postage prepaid, return receipt requested. A "**business day**" means weekdays only, excluding Saturdays, Sundays and holidays. Notices shall be directed to the address shown on **Schedule ~~2~~1** for the party and its representative.

15.1.2. ~~15.1.2~~ When time is measured according to a specified number of hours following notice from us, we will give notice either in person or by email.

15.1.3. ~~15.1.3~~ Either party may change its address for receiving notices by giving appropriate written notice to the other. All communications required or permitted to be given by a party in writing may be given electronically by the sender to the other party's designated email address in **Schedule ~~2~~1** or as subsequently changed by written notice.

15.1.4. ~~15.1.4~~ All payments and reports required to be delivered to us must be directed to us at the above address or to an electronic address or account otherwise designated by us. Notwithstanding our agreement regarding when notices shall be deemed to be given, any required payment or report not actually received by us on the date it is due shall be deemed delinquent.

15.2. ~~15.2~~ Time of the Essence. Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor.

15.3. ~~15.3~~ Waiver. Any waiver granted by us to you excusing or reducing any obligation or restriction imposed on you by this Agreement shall be in writing and shall be effective immediately when we deliver the writing unless the writing specifies a later effective date. No waiver granted by us, and no action taken by us, with respect to any third party shall limit our right to take action of any kind, or not to take action, with respect to you. Any waiver granted by us to you shall be without prejudice to any other rights we may have. The rights and remedies granted to us are cumulative. No delay on our part in the exercise of any right or remedy that we have under Applicable Law shall operate as a waiver of that right or remedy, and no single or partial exercise by us of any right or remedy shall preclude us from fully exercising the right or remedy or any other right or remedy. Our acceptance of any payments made by you after a breach of this Agreement will not be, nor be construed as, a waiver by us of any breach by you of any term, covenant, or condition of this Agreement.

15.4. ~~15.4~~ Section Headings: Language. The Section headings used in this Agreement are inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement. The language used in this Agreement shall in all cases be construed simply according to its fair meaning and not strictly for or against you or us. The singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two or more Business Entities are at any time identified as the Franchisee hereunder, whether or not as partners or joint venturers, their obligations and liabilities to us shall be joint and several. Nothing in this Agreement is intended, nor shall it be deemed, to confer any rights or remedies upon any person or Business Entity not a party hereto.

15.5. ~~15.5~~ Binding on Successors. The covenants, agreements, terms, and conditions contained in this Agreement shall be binding upon, and shall inure to the benefit of, the successors, permitted assigns, heirs, and personal representatives of each party.

15.6. ~~15.6~~ Validity; Conformity with Applicable Law; Interpretation.

15.6.1. ~~15.6.1~~ Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under Applicable Law, but if any provision of this Agreement shall be invalid or prohibited under Applicable Law, the provision shall be ineffective only to the extent of the prohibition or invalidity without invalidating the remainder of the particular provision or the remaining provisions of this Agreement. If the provisions of this Agreement provide for periods of notice less than those required by Applicable Law, or provide for termination, cancellation, non-renewal, or the like other

than in accordance with Applicable Law, these provisions shall be deemed to be automatically amended to conform them to the provisions of Applicable Law.

15.6.2. ~~15.6.2~~ If any provision of this Agreement is deemed unenforceable by virtue of its scope in terms of geographic area, business activity prohibited, or length of time, but could be made enforceable by reducing any or all thereof, the provision may be modified by a mediator or court so that it may be enforced to the fullest extent permissible under the choice of law adopted by this Agreement or other Applicable Law.

15.6.3. ~~15.6.3~~ In this Agreement the words "**includes**" and "**including**" and words of similar effect shall be read to mean "without limitation" and will not be deemed to limit the general effect of the words that precede them.

15.7. ~~15.7~~ Amendments. No amendment, change, modification, or variance to or from the terms and conditions set forth in this Agreement shall be binding on any party unless it is set forth in writing and duly executed by us and you.

15.8. ~~15.8~~ Withholding of Consent; Our Business Judgment.

15.8.1. ~~15.8.1~~ Except where this Agreement expressly requires us to exercise our reasonable business judgment in deciding to grant or deny approval of any action or request by you, we have the absolute right to refuse any request by you or to withhold our approval of any action by you in our sole discretion. Further, whenever our prior consent or approval is required by this Agreement, our consent or approval must be evidenced by a writing signed by our duly authorized representative in order to be enforceable against us unless this Agreement expressly states otherwise.

15.8.2. ~~15.8.2~~ Each one of us recognizes, and any mediator or judge is affirmatively advised, that certain provisions of this Agreement describe our right to take (or refrain from taking) certain actions in our sole discretion and other actions in the exercise of our reasonable business judgment. Where this Agreement expressly requires that we make a decision based upon our reasonable business judgment, we will evaluate the overall best interests of all Network Members and our own business interests. If we make a decision reasonably based on our business judgment, neither a mediator nor a judge shall substitute his or her judgment for the judgment exercised by us. The mere fact that one could reach a different decision than the one made by us is not a basis for finding that we made our decision without the exercise of reasonable business judgment. Our duty to exercise reasonable business judgment in making certain decisions does not restrict or limit our right under this Agreement to make other decisions based entirely on our sole discretion as permitted by this Agreement. Our sole discretion means that we may consider any set of facts or circumstances that we deem relevant in rendering the decision.

15.9. ~~15.9~~ Entire Agreement. This Agreement, including the Schedules attached hereto, and all agreements or documents that are expressly incorporated in or made part of this Agreement, including the ~~Brand Standards~~ Manual, sets forth the entire agreement between the parties, and supersedes any and all prior agreements, understandings, and discussions between the parties pertaining to its subject matter. However, nothing in this Agreement or any related agreement is intended to disclaim our representations in the Franchise Disclosure Document delivered to you before your execution of this Agreement.

15.10. ~~15.10~~ Force Majeure. Neither party is responsible for any failure to perform its obligations under this Agreement if and to the extent that its performance is prevented or delayed due to an event of Force Majeure. Upon completion of the event of Force Majeure, the party whose

performance is affected must as soon as reasonably practicable recommence the performance of their obligations under this Agreement. Furthermore, the party whose performance is prevented or delayed shall use their reasonable efforts to mitigate the effect of the event of Force Majeure on their performance. An event of Force Majeure does not relieve a party or a Personal Guarantor from liability for prompt payment of any amount due, or any other obligation, that arose before the onset of the event of Force Majeure.

15.11. ~~15.11~~ Covenant and Condition. Each provision of this Agreement performable by you must be construed as both a covenant and a condition.

15.12. ~~15.12~~ Consent of Spouse or Domestic Partner. The spouse or ~~Domestic Partner~~domestic partner of each Personal Guarantor shall execute a Spousal Consent ~~of Spouse or Domestic Partner~~ in the form of **Schedule ~~3~~4**.

15.13. ~~15.13~~ Effectiveness. This Agreement shall become effective only upon execution by both us and you.

15.14. ~~15.14~~ Further Assurances. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out, and perform the terms, provisions, and conditions of this Agreement.

15.15. ~~15.15~~ Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts together shall constitute one and the same instrument.

15.16. ~~15.16~~ Electronic Signatures. The parties accept the use of an electronic signature in lieu of a manual signature and agree that an electronic signature will be binding on a party to the same extent as if the party signed this Agreement manually.

15.17. ~~15.17~~ Confidentiality and Public Announcements. In addition to the provisions regarding Confidential Information, the parties agree that no public announcement or any other disclosure regarding the existence or terms of this Agreement, the names or any other identifying information regarding the parties or any individual who owns or is associated with a party, or the nature of the parties' negotiations shall be disclosed in any way or made public unless (i) the other party gives its prior written consent; or (ii) if disclosure is required by Applicable Law.

[*Signature Page Follows*]

IN WITNESS WHEREOF, ~~you and we~~the parties have executed this Agreement as of the Effective Date.

~~iNX BUILDING MAINTENANCE SOLUTIONS~~

iNX:

iNX Building Maintenance Solutions, ~~INC~~Inc.
a California corporation

By: _____

Name: _____

Title: _____

Franchisee:

_____
a _____

By: _____

Name: _____

Title: _____

Schedule 1

FRANCHISE INFORMATION

By executing below, we each affirm the following information:

1. The Territory is described as the geographic area [encompassing the following ZIP codes] OR [shown on the attached map] OR [described below]:

_____

_____

The boundaries of the Territory are based on the location of the ZIP codes or other references used as of the Effective Date or such later date when the ZIP codes or references are inserted into this Schedule. The Territory will not be altered by subsequent changes to the ZIP codes or other references used to describe it. If there is a discrepancy between the list of ZIP codes and an attached map or other description, the list of ZIP codes shall be controlling.

2. The parties affirm their mutual agreement that the number of businesses in the Territory as of the Effective Date for purposes of calculating the Territory Launch Fee is _____.

3. Assumed Name: _____

4. Franchise Office address:
_____

ADDRESSES FOR NOTICE

TO: COMPANY	**TO: FRANCHISEE**
Allison Laredo iNX Building Maintenance Solutions, Inc. 14611 NW 20th Avenue Vancouver, WA 98685 accounting@teaminx.com	_____ _____ _____ _____ _____

IN WITNESS WHEREOF, the parties have executed this Schedule as of the Effective Date.

iNX:	Franchisee:
iNX Building Maintenance Solutions, Inc. a California corporation	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

Schedule 2

FRANCHISEE'S OWNERS AS OF THE EFFECTIVE DATE

Franchise Agreement Effective Date: _____

Franchisee Name: _____

State of incorporation or organization: _____

Identify each Owner of Franchisee as of the Effective Date

Owner Name:	Owner Name:
Address:	Address:
Spouse/Domestic Partner Name:	Spouse/Domestic Partner Name:
Nature of Interests:	Nature of Interests:
Nature of Units/Shares Held:	Nature of Units/Shares Held:
Percentage Held:	Percentage Held:
Owner Name:	Owner Name:
Address:	Address:
Spouse/Domestic Partner Name:	Spouse/Domestic Partner Name:
Nature of Interests:	Nature of Interests:
Nature of Units/Shares Held:	Nature of Units/Shares Held:
Percentage Held:	Percentage Held:
Owner Name:	Owner Name:
Address:	Address:
Spouse/Domestic Partner Name:	Spouse/Domestic Partner Name:
Nature of Interests:	Nature of Interests:
Nature of Units/Shares Held:	Nature of Units/Shares Held:
Percentage Held:	Percentage Held:
Owner Name:	Owner Name:
Address:	Address:
Spouse/Domestic Partner Name:	Spouse/Domestic Partner Name:
Nature of Interests:	Nature of Interests:
Nature of Units/Shares Held:	Nature of Units/Shares Held:
Percentage Held:	Percentage Held:

[ADD ADDITIONAL ROWS AS NEEDED]

Schedule 3

PERSONAL GUARANTY ("Guaranty")

The undersigned ("**Guarantor**") is an Owner of _____, a _____ [*add name of Franchisee Business Entity and state of organization/formation*], the party ~~that is~~ identified as "**Franchisee**" in that certain Franchise Agreement dated _____ ("**Agreement**") entered into with us, iNX BUILDING MAINTENANCE SOLUTIONS, INC., a California corporation ("**iNX**"). The Agreement requires each person who is an Owner of Franchisee to execute our form of Personal Guaranty. Guarantor represents that it has had an opportunity to review the Agreement and intends to be legally bound by this Guaranty. All capitalized terms in this Guaranty shall have the same meaning given to them in the Agreement and Guarantor incorporates those definitions into this Guaranty by this reference.

A. **Unconditional Guaranty**. For other good and valuable consideration, Guarantor absolutely, irrevocably and unconditionally guarantees to iNX and its successors and assigns the full and punctual payment and performance of all present and future obligations of Franchisee to iNX arising under or pursuant to the Agreement including, without limitation, Franchisee's repayment of any promissory note for financing provided by iNX to Franchisee.

B. Guarantor's obligations under this Guaranty are primary obligations of Guarantor. If Franchisee breaches the Agreement, iNX may proceed first and directly against Guarantor without first (i) proceeding against Franchisee or any other Owner who also is a guarantor of Franchisee's obligations to iNX; (ii) exhausting any other remedies that iNX may have under Applicable Laws; or (iii) taking possession of any collateral that Franchisee has pledged as security for Franchisee's performance of the Agreement. Guarantor's obligations under this Guaranty are not subject to any counterclaim, recoupment, set-off, reduction, or defenses based on claims that Guarantor may have against Franchisee.

C. This Guaranty shall not be affected, impaired, modified, waived or released due to (i) the invalidity or unenforceability of any provision of the Agreement, (ii) the bankruptcy, reorganization, dissolution, liquidation or similar proceedings involving or affecting Franchisee, (iii) Franchisee's sale or other disposition of its assets used to operate the Franchised Business; or (iv) any agreement between iNX and Franchisee agreeing to modify the provisions of the Agreement. Guarantor unconditionally waives, to the fullest extent permitted by Applicable Laws, all notices that Applicable Laws may require iNX to give to Guarantor in order for iNX to preserve or enforce its rights under this Guaranty. Guarantor shall not exercise any right to subrogation, reimbursement or contribution against Franchisee. If Guarantor lends money to Franchisee, Guarantor's right to repayment is subordinate to Franchisee's obligations to iNX.

D. **Payments by Guarantor**. All payments by Guarantor pursuant to this Guaranty shall be made in immediately available funds, in lawful money of the United States, and sent to iNX at the address for giving notices specified in the Agreement.

E. **Duration of Guaranty**. This Guaranty shall survive the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of the Agreement and ~~an~~any Event of Transfer of the Agreement.

F. **Guarantor's Covenants**. While the Agreement is in effect, Guarantor shall: (i) cause Franchisee to remain in good standing under the laws of the state of its incorporation or organization; (ii) cause Franchisee to have full power and authority to execute contracts and incur obligations in its own name without needing third-party approvals; (iii) not directly or indirectly, voluntarily or by operation of law, attempt to sell, assign, transfer, pledge, gift, encumber or alienate any of the equity or voting interests of Franchisee that Guarantor owns without causing Franchisee to comply with the Event of Transfer procedures in the Agreement; and (iv) furnish iNX with accurate and complete personal financial information reasonably promptly following iNX's request or if there is a material change in any financial information previously furnished to iNX.

G. **Miscellaneous Provisions**: Guarantor shall notify iNX immediately of any changes in its contact information shown below its signature so that iNX has current contact information for Guarantor for as long as this Guaranty is in effect.

H. Guarantor agrees to resolve any dispute with iNX arising out of the interpretation or enforcement of this Guaranty pursuant to the same dispute resolution procedures in the Agreement to which Franchisee is bound, and hereby incorporates the "Dispute Resolution" section in the Agreement into this Guaranty by this reference. Guarantor reaffirms the statements in Section 14 of the Agreement ~~Schedule captioned "YOUR REPRESENTATIONS TO US."~~

I. If Franchisee has more than one Owner, Guarantor's obligations under this Guaranty will be joint and several together with all other Guarantors.

J. Guarantor's agreements in this Guaranty shall bind Guarantor's personal representatives, heirs and successors and shall inure to the benefit of iNX and its successors and assigns. Any waiver granted by iNX to Guarantor must be in writing and will be effective upon iNX's delivery of the writing to Guarantor or upon the specific effective date specified in the writing, and only to the extent specifically allowed in such writing. No waiver granted by iNX shall limit iNX's right to take action of any kind, or not to take action, with respect to Guarantor. Any waiver granted by iNX to Guarantor is without prejudice to any other rights iNX may have. No delay on iNX's part in exercising any right or remedy shall constitute a waiver by iNX, and no partial exercise by iNX of any right or remedy shall preclude iNX from fully exercising the same or any other right or remedy.

Executed on: _____, _____.

Guarantor: _____ (print name)

_____ (signature)

_____ (home street address)

_____ (city/state/zip)

_____ (telephone)

_____ (email)

Schedule ~~2~~4

~~ADDRESSES FOR NOTICE~~

~~TO: COMPANY~~	~~TO: FRANCHISEE~~
~~Paul Laredo, CEO~~ ~~iNX BUILDING MAINTENANCE SOLUTIONS, INC.~~ ~~11150 West Olympic Blvd., Suite 1050 PMB 1067~~ ~~Los Angeles, CA 90064~~ ~~paul.laredo@teaminx.com~~	_____ _____ _____ _____ _____ _____
~~WITH A COPY TO:~~	~~WITH A COPY TO:~~
~~Rochelle Spandorf, Esq.~~ ~~Davis Wright Tremaine~~ ~~865 South Figueroa Street~~ ~~Suite 2400~~ ~~Los Angeles, California 90017~~ ~~rochellespandorf@dwt.com~~	_____ _____ _____ _____ _____ _____ _____ _____

~~Schedule 3~~

CONSENT OF SPOUSE OR DOMESTIC PARTNER

The undersigned is the spouse or domestic partner of the person identified in Row A below. The undersigned represents that he or she has personal knowledge of all information in this Consent.

1. The person identified in Row A is an Owner of the Business Entity identified in Row B.

2. The Business Entity identified in Row B has entered into that certain Franchise Agreement ("**Franchise Agreement**") with iNX BUILDING MAINTENANCE SOLUTIONS, INC. ("**iNX**") on the date show in Row C. The Franchise Agreement identifies the Business Entity as "**Franchisee.**"

3. Pursuant to the Franchise Agreement, the person identified in Row A has executed a Personal Guaranty in favor of iNX.

By executing this Consent, the undersigned affirms that his or her ~~Spouse/Domestic Partner~~spouse/domestic partner, as an Owner of Franchisee, has executed a Personal Guaranty in favor of iNX and understands and agrees that the actions and the obligations undertaken by his or her ~~Spouse/Domestic Partner~~spouse/domestic partner in the Personal Guaranty are binding on the marital community.

The undersigned declares that he or she has had the opportunity to read the Franchise Agreement that is the subject of the Personal Guaranty and had the opportunity to seek the advice of independent counsel before executing this Consent and executes this Consent freely with full understanding of its significance.

Dated: _____

~~Undersigned –~~Signature: _____

Print Name:_____

Row A – Name of ~~Spouse/Domestic Partner Who Signed~~ Personal ~~Guaranty in Favor of iNX~~Guarantor
Row B – Name of Franchisee and State of Incorporation or Organization
Row C – Effective Date of Franchise Agreement

Schedule 45

~~YOUR PRIMARY OWNERS~~

~~Effective Date of Franchise Agreement: _____~~

~~Franchisee Business Entity Name and state of incorporation or organization: _____~~

~~Date of Execution of this Schedule 4: _____~~

~~Primary Owner Name: _____~~
~~Address: _____~~
~~Spouse/Domestic Partner Name: _____~~
~~Nature of Interests: _____~~
~~Nature of Units/Shares Held: _____~~
~~Percentage Held: _____~~

~~Primary Owner Name: _____~~
~~Address: _____~~
~~Spouse/Domestic Partner Name: _____~~
~~Nature of Interests: _____~~
~~Nature of Units/Shares Held: _____~~
~~Percentage Held: _____~~

~~Primary Owner Name: _____~~
~~Address: _____~~
~~Spouse/Domestic Partner Name: _____~~
~~Nature of Interests: _____~~
~~Nature of Units/Shares Held: _____~~
~~Percentage Held: _____~~

~~Primary Owner Name: _____~~
~~Address: _____~~
~~Spouse/Domestic Partner Name: _____~~
~~Nature of Interests: _____~~
~~Nature of Units/Shares Held: _____~~
~~Percentage Held: _____~~

~~Names of individuals who are officers, general partners or LLC managers, but not a Primary Owner of Franchisee as of the Effective Date~~

~~Owner Name: _____~~
~~Address: _____~~
~~Spouse/Domestic Partner Name: _____~~
~~Position/Title: _____~~

~~Names of individuals who occupy a position equivalent to a director on a board of directors, but not a Primary Owner of Franchisee as of the Effective Date~~

~~Owner Name: _____~~
~~Address: _____~~

~~Spouse/Domestic Partner Name: _____~~
~~Position/Title:~~
~~_____~~

~~[ADD ADDITIONAL ROWS AS NEEDED]~~

Schedule 5

DEFINED TERMS

Capitalized terms appearing in this Agreement are either defined where they are first used or have the following meaning:

A. "AAA" means Account Acceptance Agreement, which is the written contract between you and us that memorializes your agreement to perform the specific Scope of Work described in a specific Account Contract that we enter into with an Account. You and we will enter into a separate AAA for each Account and each AAA will specify an effective date, Account Volume, terms of financing, and Scope of Work, and attach a copy of the specific Account Contract to which it relates. Your execution of the AAA signifies your agreement to ensure that the Scope of Work that you and your employees perform at the Account's place of business in a manner that satisfies our obligations under the Account Contract and adheres to the iNX System brand standards.

B. "Abandoned" means your failure to operate the Franchised Business for a period of 5 consecutive days without our prior written consent for reasons that are not due to an event of Force Majeure, or for any shorter period that make it reasonable under the facts and circumstances for us to conclude that you do not intend to continue to operate the Franchised Business in the regular course as required by this Agreement.

C. "Account" is the Account identified in an Account Contract or AAA.

D. "Account Contract" is the written contract between us and an Account that memorializes our agreement to assign a Network Member to perform a specific Scope of Work for the Account at the Account's place of business in exchange for agreed-upon consideration payable to us.

E. "Account Data" means any information regardless of how you or we obtain, record, store, or maintain it that relates to an Account that is the subject of an AAA including billing and collection information. You must use, maintain, and store Account Data consistent with our privacy policies, which we articulate in the Brand Standards Manual or otherwise in writing.

F. "Account Volume" means the aggregate monthly Billed Revenue for which we will invoice an Account and that you can earn under the terms of an AAA by performing the Scope of Work specified in the AAA.

G. "Accounting Month" is a calendar month and the accounting period that we use on the Effective Date for invoicing Accounts, subject our right to change the accounting period for all or specific Accounts at any time without prior notice for new Accounts and upon no less than 30 days' written notice for existing Accounts.

H. "Affiliate" means a Business Entity that controls, is controlled by, or is under common control with a party to this Agreement.

I. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future Applicable Law and requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war.

J. "Applicable Law" means and includes applicable common law and all statutes, laws, rules, regulations, ordinances, policies, and procedures established by any governmental authority with jurisdiction over the activities of either party to this Agreement in effect on or after the Effective Date, as they may be amended from time to time.

K. "Assumed Name" means the fictitious business name that we assign to you that you must use to conduct the Franchised Business. Unless otherwise agreed by you and us, the Assumed Name shall consist of "iNX" followed by a specific geographic reference to a market region in the Territory (for example, "iNX San Bernardino County" or "iNX Northern San Diego County").

L. "Authorized Services" mean collectively the specific cleaning, janitorial, and maintenance services and types of Special Projects described in the Brand Standards Manual for different types of properties excluding occupied personal residences.

M. "Billed Revenue" means the actual total revenue that we collect from Accounts on account of the Scope of Work that you perform under an Account Acceptance Agreement at the Account's place of business, whether we originate the Account or you originate the Account. Billed Revenue excludes amounts that we collect from Accounts based on the Account's purchase of goods from us. For the sake of clarity, goods refer to cleaning supplies and other tangible materials that we sell to an Account separate and apart from goods that you may use to perform the Scope of Work.

N. "Brand Standards Manual" refers collectively to all volumes of the confidential guidelines, operating procedures, brand standards, or other written instructional materials that we may share with you in confidence during the Term in written or electronic format pertaining to the operation of the Franchised Business or the iNX System, as we may modify the Brand Standards Manual during the Term in accordance with this Agreement.

O. "Business Entity" means a corporation, limited liability company, partnership, limited liability partnership, trust, or other type of legal entity that may enter into contracts in its own name under Applicable Law.

P. "Business Generation Fee" is the fee that you owe us each time we sign a new Account Contract and a new AAA becomes effective in an amount that we will calculate pursuant to this Agreement.

Q. "Business Start Date" is the date that we identify on the completion certificate that we issue to your Primary Owner, General Manager, and Operations Manager (if all different people), each of whom must successfully complete our initial training program.

R. "Collected Revenue" is the actual amount that we collect from an Account on an invoice for the Scope of Work that you perform.

S. "Competitive Business" means any business

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

This **CONFIDENTIALITY AND NON-COMPETITION AGREEMENT** ("**Agreement**") is made as of _____ ("Effective Date") by _____ ("**Undersigned Party**") in favor of iNX Building Maintenance Solutions, Inc. ("**iNX**") with reference to the following facts:

A. iNX and _____ ("**Franchisee**") are parties to that certain iNX Franchise Agreement ("Franchise Agreement") entered into by and between them on or before the Effective Date of this Agreement.

B. The Franchise Agreement obligates Franchisee to (i) confine disclosure of Confidential Information that belongs to iNX to those members of its management, employees and agents who require access to the Confidential Information in order to perform the functions for which they have been hired and to enable Franchisee to perform its obligations under the Franchise Agreement; and (ii) observe and implement reasonable procedures to prevent the unauthorized or inadvertent use, publication or disclosure of iNX's Confidential Information including requiring that members of Franchisee's management, employees and other agents execute iNX's form of Confidentiality Agreement. Additionally, before iNX will deliver training to one of Franchisee's employees, the employee must execute iNX's form of Confidentiality Agreement.

C. Additionally, the Franchise Agreement obligates Franchisee to cause each individual who is or becomes a Covered Person to agree in writing to specific restrictions regarding Competitive Businesses.

D. The Undersigned Party acknowledges that, based on the Undersigned Party's relationship with Franchisee, the Undersigned Party's failure or refusal to execute this Agreement would cause Franchisee to be in breach of its obligations under the Franchise Agreement.

NOW, THEREFORE, the Undersigned Party having read this Agreement and being familiar with the terms of the Franchise Agreement, hereby agrees as follows:

I. DEFINITIONS

A. The Undersigned Party represents that he or she has had the opportunity to become familiar with the terms of the Franchise Agreement and agrees that any capitalized terms that are not defined in this Agreement shall have the meaning given to them in the Franchise Agreement and incorporates these definitions into this Agreement. The words "**includes**" and "**including**" and words of similar effect will not be deemed to limit the general effect of the words that precede them. The language in this Agreement shall not be presumptively construed either in favor of or against iNX or the Undersigned Party. The headings within this Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Agreement. All references to Confidential Information in this Agreement refers exclusively to iNX's Confidential Information.

II. NONDISCLOSURE OF CONFIDENTIAL INFORMATION

A. The Undersigned Party agrees not to use, disclose, duplicate, sell, reveal, divulge, publish, furnish or communicate, either directly or indirectly, any Confidential Information to any other person without iNX's prior written consent or if doing so would constitute a breach of the Franchise Agreement if committed by Franchisee.

B. The Undersigned Party agrees not to use any Confidential Information for his or her own personal gain or to further the purposes of others, whether or not the Confidential Information has been conceived, originated, discovered or developed, in whole or in part, by the Undersigned Party or represents the Undersigned Party's work product. To the extent the Undersigned Party has assisted in the preparation of any information that iNX considers to be its Confidential Information or has prepared or created, or contributed to the preparation or creation of such information, the Undersigned Party hereby

assigns any rights that he or she may have in such information as creator to iNX including all ideas made or conceived by the Undersigned Party.

C. The Undersigned Party acknowledges that the use, publication or duplication of iNX's Confidential Information for any purpose not authorized by the Franchise Agreement constitutes an unfair method of competition by the Undersigned Party and a material and substantial breach of the Franchise Agreement by Franchisee, which potentially could result in the termination of the Franchise Agreement and Franchisee's liability to iNX under Applicable Law.

D. The provisions of this Section shall apply forever for as long as Confidential Information meets the conditions in the Franchise Agreement and qualifies as Confidential Information and survives the expiration or termination of all contracts between iNX and Franchisee.

E. The provisions concerning non-disclosure of Confidential Information shall not apply if disclosure of Confidential Information is legally compelled in a judicial or administrative proceeding as long as the Undersigned Party has used its best efforts to provide iNX with a reasonable the opportunity to obtain an appropriate protective order or other assurance satisfactory to iNX of confidential treatment for the information required to be disclosed. If the Undersigned Party believes that he or she is or may be legally required to disclose Confidential Information, the Undersigned Party agrees to notify iNX as soon as possible and give iNX a reasonable time to respond and defend against or mitigate disclosure of Confidential Information.

III. RETURN OF MATERIALS CONTAINING CONFIDENTIAL INFORMATION

A. When the Undersigned Party severs its relationship with Franchisee, the Undersigned Party shall surrender to Franchisee all materials in the possession relating or concerning any Confidential Information.

B. If the Undersigned Party is still associated with Franchisee when the Franchise Agreement ends for any reason, the Undersigned Party shall surrender to Franchisee, or, if directed by iNX, directly to iNX, all materials in the possession of the Undersigned Party relating or concerning any Confidential Information.

C. The Undersigned Party expressly acknowledges that all materials in the possession of the Undersigned Party relating or concerning any Confidential Information are, and shall remain, the sole property of iNX.

IV. AGREEMENTS REGARDING COMPETITIVE BUSINESSES: APPLICABLE ONLY IF THE UNDERSIGNED PARTY IS A COVERED PERSON

A. While the Franchise Agreement is in effect and the Undersigned Party is a Covered Person, the Undersigned Party shall not, directly or indirectly, own, join, support or become affiliated in any capacity with any Competitive Businesses located anywhere in the United States whether as an investor, partner, lender, director, officer, manager, employee, consultant, independent contractor, broker, representative or agent. This restriction includes owning any interest in a Competitive Business (either beneficially or of record) or engaging in or rendering services to a Competitive Business located anywhere in the United States. If the Undersigned Person is a Covered Person, the restrictions in this Section shall not apply to the Undersigned Party for a period longer than 24 months from the date the Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee. The Undersigned Party

acknowledges that these restrictions are reasonable and necessary to protect iNX's legitimate business interests, which include taking reasonable measure to prevent iNX's Confidential Information from benefiting the interests of a company that is a competitor of iNX.

B. While the Franchise Agreement is in effect and the Undersigned Party is a Covered Person, the Undersigned Party shall not, directly or indirectly divert, or attempt to divert, any business or customer of the Franchised Business to any competitor by direct or indirect inducement or perform any act that directly or indirectly could, or may, injure or prejudice the goodwill and reputation of the Licensed Marks or the iNX System.

C. The Undersigned Party acknowledges and agrees that the covenants in this Section are independent of the other covenants and provisions of this Agreement. If any provision in this Section is void or unenforceable under California law, but would be enforceable as written or as modified under the laws of the state in which Franchisee's Territory is located (the "Local Laws"), the Local Laws shall govern any dispute between the Undersigned Party and iNX concerning or involving the construction, interpretation, validity or enforcement of the restrictions in this Agreement regarding a Competitive Business applicable to the Undersigned Party. The Undersigned Party authorizes iNX to revise the scope of any void or unenforceable covenant to the Local Laws so that it is enforceable and agrees to be bound by any modified covenant conforming to the Local Laws as if originally stated in this Agreement.

D. The Undersigned Party acknowledges that the Franchise Agreement defines "Competitive Business" to mean any business, regardless of the nature of the business or if it is a Business Entity or sole proprietorship, that performs janitorial or ~~building~~facility maintenance services to non-residential Accounts for compensation.

~~T. "Confidential Information" means knowledge and information in any format that you know, or should reasonably know from all facts and circumstances, provides us or Network Members with a competitive advantage. Confidential Information includes (i) technology, software, strategies, financial, marketing, merchandising, operating, performance, cost and business information, business development plans, existing or proposed Authorized Services, Account Data, outsourcing strategies, and training curriculum; (ii) information regarding the actual or contemplated operations, sales, promotional and marketing methods, and techniques of the iNX System; (iii) our arrangements with existing, past, or prospective vendors or suppliers; (iv) Billed Revenue, Collected Revenue profit performance, and other financial results of all or individual Network Members; (v) the results of Account surveys and marketing programs; (vi) the content in the Brand Standards Manual or posted to the Network Portal; and (vii) in general, ideas, methods, specifications, pricing and cost data, procedures, information systems, and knowledge about the iNX System or our prospective or existing arrangements with Accounts and Network Members whether the information is now known or exists or is acquired or created in the future or expressly identified as confidential that could, or does, give us a competitive advantage because it is not generally known to the public or readily ascertainable by others through proper means. For the sake of clarity to illustrate that the definition of Confidential Information is intentionally broad, Confidential Information includes knowledge or information that may be created by a third party at our request for our benefit or collected or received by us in any format including through "cookies," Web bugs or electronic or non-electronic means. However, information shall not be classified as "Confidential Information" if (x) you can demonstrate that the information lawfully came to your attention independent of entering into this Agreement and not as a result of your wrongful disclosure (whether or not deliberate or inadvertent); or (y) it is, or has become, generally known in the public domain.~~

U. "Covered Person" means (i) the Business Entity executing this Agreement as Franchisee; (ii) each Affiliate of the party identified as "Franchisee;" (iii) each individual who is an Owner, officer, director, member or manager of a limited liability company, trustee, or general partner of the Business Entities included in (i) and (ii); and (iv) the spouse, adult children, parents, or siblings of the individuals included in (iii). Covered Person shall mean an individual who falls within the identified categories either on the Effective Date or later during the Term of this Agreement.

V. "Effective Date of Expiration of this Agreement" is the last day of the Term.

W. "Effective Date of Termination of this Agreement" means one of the following depending on the particular circumstances: (i) with respect to an event of default that this Agreement identifies is not curable, the date when a party is deemed to receive written notice of default and termination or the later effective date specified by the non-breaching party in the written notice as the effective date of termination; (ii) with respect to an event of default that this Agreement identifies is curable, the date on or after the end of a cure period that is specified by the non-breaching party as the effective date of termination; or (iii) the closing date of an Event of Transfer.

X. "Effective Date of Termination or Expiration of this Agreement" means either the Effective Date of Termination of this Agreement or the Effective Date of Expiration of this Agreement as the context requires.

Y. "Enterprise Account" means a client that we identify in the Brand Standards Manual with one or more places of business that are located in the assigned territory of two or more Network Members with which we enter into an Account Contract that provides for centralized billing and pricing terms for the Scope of Work performed by any Network Member.

Z. "Enterprise Account Program" means the program that we administer pursuant to which we offer you the opportunity to perform a specific Scope of Work for an Enterprise Account's locations in your Territory on the terms and conditions of our Account Contract with the Enterprise Account. We may modify or discontinue the Enterprise Account Program at any time effective upon written notice.

AA. "ERP System" means the specific cloud-based enterprise resource application that we designate and require you to use under our master subscription to record certain data points for the Franchised Business including staff scheduling, tracking staff time, billing, accounting, and cataloging cleaning equipment.

BB. "Event of Transfer" means any actual or attempted transaction or series of related transactions that, directly or indirectly, voluntarily or by operation of law that results or, if completed would result, in (i) the sale, assignment, transfer, pledge, gift, encumbrance, or alienation of any interest in this Agreement or the right to use the iNX System or any portion or components; (ii) the sale, assignment, transfer, pledge, gift, encumbrance, or alienation of any Ownership Interest; or (iii) the death or Incapacity of a Primary Owner.

CC. "Force Majeure" includes an event caused by or resulting from: (i) a fire, earthquake, natural disaster or act of God; (ii) any act of declared or undeclared war, terrorism, riot, or insurrection, or any nuclear, biological, chemical, or similar attack; (iii) an epidemic, pandemic, or other public health or safety emergency; (iv) material shortages or rationing; (v) failure or disturbance in transportation, communication, or similar vital infrastructure; (vi) a strike, lockout, or other labor dispute or action; (vii) any action by a civil or military authority in response to any of the foregoing; or (viii) any other similar cause that is not within the control of the party whose performance is required.

DD. "Franchise Disclosure Document" means the Franchise Disclosure Document that you acknowledge you received before executing this Agreement or paying any consideration to us or our Affiliates for the award of franchise rights.

EE. "Franchise Income Statement Detail" refers to the recap summary that we prepare and send to you each month listing the financial terms of each AAA then in effect that identifies (i) the specific Scope of Work that the Franchised Business performed for an Account during the prior Accounting Month according to the information that you have entered into the ERP; (ii) the amount that we have invoiced the Account for your services; and (iii) the calculation of how much we will pay you for the Scope of Work for the Accounting Month.

FF. "Franchise Network" means collectively all iNX® franchisees and any Affiliate of ours to which we have awarded a license to use the Licensed Marks to operate a janitorial and building maintenance service business using the iNX System.

GG. "Franchise Office" means the business premises having the address specified on **Schedule 6** that we must approve and you must occupy by no later than 180 days after the Business Start Date.

HH. "Franchised Business" means the business that you own and operate on the terms of this Agreement.

II. "General Manager" identifies the person whom you designate who (i) is responsible for supervising the day-to-day activities of your Franchised Business and, if not a Primary Owner, reports directly to the Primary Owner; (ii) has appropriate authority to make decisions and conduct business affairs for you so that you at all times comply with this Agreement; (iii) is your primary point of contact for interactions with our management; and (iv) who must complete our initial training program to our reasonable satisfaction before assuming duties as a General Manager and any other mandatory training that we may require during the Term in order to retain status as a General Manager.

JJ. "Incapacity" is the inability of your Primary Owner to continue to perform the duties that the Franchise Agreement imposes on a Primary Owner due to medical reasons that continues for at least 120 days in the aggregate during any rolling 12 Accounting Month period during the Term, based upon the examination and findings of a physician selected by a hospital in the Territory selected by us. A period of Incapacity shall be deemed to continue without interruption unless and until your Primary Owner resumes performing his or her duties for 30 consecutive days with the same level of involvement as before the onset of the Incapacity.

KK. "Intellectual Property Rights" means collectively all rights under Applicable Law available under patent, copyright, trademark, service mark, trade name, product configuration, industrial design, trade secret law, or any other statutory provision or common law doctrine with respect to intellectual property, including rights in or to the Licensed Marks, and any designs, formulas, algorithms, procedures, methods, techniques, ideas, know-how, software applications, inventions, creations, improvements, works of authorship, other similar materials, and all recordings, graphs, drawings, reports, analyses, other writings, and any other embodiment of the above, whether known, existing, or in use on the Effective Date or discovered, created, or put into use afterwards, in any form whether or not specifically identified in this Section. For the sake of clarity, Intellectual Property Rights include our rights under Applicable Law in and to the Brand Standards Manual, Account Data, Confidential Information, and the other components of the iNX System, whether they exist today or are developed or introduced after the Effective Date.

LL. "iNX" means us or our successor.

MM. "iNX System" means collectively (i) the specific Authorized Services that Network Members must or may offer, sell and deliver to the public and the specific standards of performance applicable to the quality and uniformity of work product; (ii) the quality and uniformity of the delivery methods that Network Members must or may use to perform Authorized Services; (iii) the business methods, marketing strategies, training programs, Account service policies, administrative procedures, and operating standards, procedures, requirements, specifications, and strategies that we prescribe or recommend to Network Members; (iv) the specific Confidential Information that we share with you; (v) the software applications that we make available to you that we own or to which we hold master subscriptions; and (vi) the Licensed Marks and our other Intellectual Property Rights that we license to you for use in connection with the operation of the Franchised Business on the terms of this Agreement, all of which may be changed, improved, and further developed by from time to time in our sole discretion.

NN. "iNX Website" means any website that we now or in the future maintain to promote Authorized Services performed by Network Members under the Licensed Marks.

OO. "Licensed Marks" collectively mean all of the trademarks, service marks, trade names, brand names, logos, trade dress, and other proprietary indicia, whether registered, unregistered or arising by Applicable Law, and all registrations and applications for registration of trademarks, including intent to use applications, and all issuances, extensions, and renewals of registrations and applications that we now or hereafter use to identify, advertise, or promote the activities of Network Members generally or individually and expressly authorize or require you to use as a condition of this Agreement. For the sake of clarity, Licensed Marks are a component of our Intellectual Property Rights.

PP. "Local Marketing" means all communications in all formats and media channels that you create or adapt and intend to use, directly or indirectly, to market and promote the Franchised Business, your status as an authorized Network Member, or that display the Licensed Marks. Local Marketing includes: (i) written, printed and electronic communications in any media; (ii) communications sent by email or equivalent electronic technology; (iii) communications by means of a recorded telephone message, spoken on radio, television, or similar communication media; (iv) promotional items or promotional or publicity events; (v) listings in approved business directories; (vi) the use of the Licensed Marks on stationery, business cards, invoices, signs, brochures, flyers, or any type of outdoor marketing, point-of-sale materials, or other tangible personal property; (vii) the use of the Licensed Marks in social media whether the format or channel exists now or is created in the future; and (viii) content on the iNX Website or any third-party website. For the sake of clarity, Local Marketing includes scripts and presentation materials for prospective client pitches.

QQ. "Material Scope of Work Changes" mean Scope of Work changes that are proposed to be made to an existing or proposed Account Contract that either alone or together with all prior Scope of Work changes within the last 90 days would either:

(i) decrease by 10% or more the price that the Account will pay for the Scope of Work when compared to the price in an existing Account Contract or the price proposed in an AAA (if we are negotiating a new Account Contract); or

(ii) increase by 10% or more the amount of time that you estimate it will take to complete the Scope of Work when compared to the then-existing Scope of Work (if an

Account Contract already exists) or a proposed Scope of Work in an AAA (if we are negotiating a new Account Contract).

RR. "Net Promoter Score" refers to the specific customer survey tool that we designate for measuring customer loyalty according to the rating system that we describe in the Brand Standards Manual.

SS. "Net Revenue From Supply Sales" means the aggregate of all money, credit card payments, or other things of value paid or given to us by an Account for the purchase of iNX brand janitorial products if the Account takes delivery of the iNX brand janitorial products at a location in your Territory, less the sum of: (i) sales taxes and other taxes separately stated, if any, that we collect from Accounts on sales transactions and pay to taxing authorities; (ii) refunds and credits made in good faith to arms' length Accounts in your Territory on purchases of iNX brand janitorial products; (iii) the amount of any checks dishonored or returned and the amount of any charge backs or reversals of credit card transactions involving transactions with Accounts for iNX brand janitorial products; and (iv) amounts billed to Accounts for supply transactions involving iNX brand janitorial products that we deem uncollectible. For the sake of clarity, "Net Revenue From Supply Sales" includes an Account's purchase of iNX brand janitorial products only when the transaction is separate and apart from the cost of supplies that we include as part of Billed Fees under an Account Contract.

TT. "Network Member" refers collectively to you, our Affiliate if an Affiliate of ours owns and operates operate an iNX business, and every other iNX franchisee that is a party to a Franchise Agreement with us.

UU. "Network Portal" means the non-public electronic communications network portal owned by us, with access rights limited to Network Members, that facilitates communication by us to Network Members, between us and individual Network Members, or among Network Members, and where we post the Brand Standards Manual and other information about mandatory and optional standards, specifications, methods, and procedures that comprise the iNX System.

VV. "Non-Compliance Fees" are the fees identified in the Brand Standards Manual that you must pay us for not complying with the enumerated Performance Standards.

WW. "Non-Recurring Service Agreement" is the written contract between us and an Account that memorializes our agreement to assign a Network Member to complete a specific Special Project for the Account at the Account's place of business in exchange for agreed-upon consideration payable to us.

XX. "Owner" means the individual or Business Entity that owns any interest in the Ownership Interests of the Franchisee Business Entity that is a party to this Agreement.

YY. "Ownership Interest" means an interest in the capital, shares, stock, membership interests, or profits of a Business Entity or rights in the economic benefits of that equity.

ZZ. "Performance Standards" are the specific duties that we describe in the Brand Standards Manual that you must perform as a condition of this Agreement in order to avoid paying Non-Compliance Fees or the termination of this Agreement under the conditions in this Agreement.

AAA. "Personal Guarantor" refers to any person who owns or at any time during the Term acquires either legally or beneficially any interest in an Ownership Interest.

~~BBB. "Primary Owner" refers to a person who owns 20% or more of your outstanding Ownership Interests and, as a Personal Guarantor, has duly executed a Personal Guaranty in favor of us.~~

~~CCC. "Provisional Remedies" mean any form of interim relief, including requests for temporary restraining order, preliminary injunction, writ of attachment, appointment of a receiver, for claim and delivery, or any other order that a court may issue to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo pending the completion of mediation.~~

~~DDD. "Reconciliation Statement" refers to the written statement that we prepare and deliver to you approximately 90 days after sending an invoice to an Account that shows the actual Collected Revenue received from the Account as of the Reconciliation Statement date and any adjustments to the prior Franchise Income Statement Detail.~~

~~EEE. "Scope of Work" describes the services, equipment, processes, frequency of service, scheduling requirements, restrictions, and other service conditions set forth in an Account Contract and that you agree to perform for an Account as specified in the AAA for the Account.~~

~~FFF. "Special Project" refers to any type of non-recurring Scope of Work that you agree to perform for an Account as specified in the AAA for the Account.~~

~~GGG. "First Time Consult" refers to the summary report that you prepare based on your face-to-face interview of a prospective Account, which you must conduct at a prospective Account's place of business following notice from us identifying the prospective Account, or as part of your own lead generating activities, that provides us with your evaluation of the suitability of the prospective Account's job opportunity based on the (i) prospective Account's contemplated "Scope of Work" including the frequency of service, scheduling requirements, if the prospective Account's desired services fall outside the scope of the Authorized Services as then defined in the Brand Standards Manual, and any other material service conditions; (ii) financial terms if the prospective Account identifies these terms during the course of your meeting; and (iii) the non-financial terms of a job opportunity including your observations regarding the physical condition of the prospective Account's job site and the prospective Account's adherence to customarily observed safety protocols.~~

~~HHH. "Term" is the 10-year period starting on the Effective Date or the shorter period that this Agreement is in effect if it is terminated sooner in accordance with the provisions addressing termination.~~

~~III. "Territory" is the area identified on **Schedule 6**.~~

Schedule 6

DESCRIPTION OF TERRITORY AND BUSINESS POPULATION; ADDRESS OF FRANCHISE OFFICE

By executing below, we each affirm the following information *[if we do not complete the Franchise Office street address at the same time that we complete the information in #1 and #2, we will execute a separate copy of **Schedule 6** to affirm our approval of the street address of the Franchise Office]*

1. The Territory is described as follows or as shown on the map attached to this **Schedule 6**:

_____

_____

2. The parties execute this **Schedule 6** to affirm their mutual agreement that the number of businesses in the Territory as of the Effective Date for purposes of calculating the Territory Fee is _____.

3. The street address of the Franchise Office is as follows:

_____ (street address)

_____ (city/state/zip)

IN WITNESS WHEREOF, the parties have executed this Schedule as of the Effective Date.

V. IRREPARABLE HARM

A. The Undersigned Party acknowledges and agrees that iNX will suffer irreparable injury not capable of precise measurement in monetary damages if it violates the restrictions regarding Confidential Information, or, if the Undersigned Party is a Covered Person, the restrictions regarding Competitive Businesses. If either breach occurs, the Undersigned Party consents to the issuance of interim relief including an injunction, without iNX having to post bond or comparable security, as reasonable and necessary for the protection of iNX's legitimate business interests.

VI. DISPUTE RESOLUTION

A. The Undersigned Party agrees that any dispute arising out of this Agreement shall be resolved pursuant to the Section of the Franchise Agreement captioned "DISPUTE RESOLUTION" and incorporates those provisions into this Agreement and agrees to be bound by them. The governing law of this Agreement is the same as the governing law of the Franchise Agreement.

VII. MISCELLANEOUS

A. The Undersigned Party represents that it has been provided with a copy of, and read, the relevant provisions of the Franchise Agreement.

B. The Undersigned Party agrees to comply with and assist iNX to the fullest extent possible in iNX's efforts to comply with all Anti-Bribery Laws and Anti-Money Laundering Laws in existence now or enacted after the Effective Date

C. Any waiver granted to the Undersigned Party by iNX excusing or reducing any obligation or restriction imposed under this Agreement shall be evidenced by a writing executed by iNX in order to be effective and shall only be effective to the extent specifically allowed in such writing. No waiver granted by iNX shall constitute a continuing waiver. Any waiver granted by iNX shall be without prejudice to any other rights iNX may have. The rights and remedies granted to iNX are cumulative. No delay on the part of iNX in exercising any right or remedy shall preclude iNX from fully exercising such right or remedy or any other right or remedy.

D. This Agreement sets forth the entire agreement made by the Undersigned Party pertaining to the subject matter hereof, fully superseding any and all prior agreements or understandings that may exist between the Undersigned Party and the iNX pertaining to such subject matter. No amendment, change, modification or variance to or from the terms and conditions set forth in this Agreement shall be binding on the Undersigned Party unless it is set forth in a writing and duly executed by the Undersigned Party and iNX.

E. This Agreement shall be binding on the Undersigned Party's heirs, executors, successors and assigns as though originally executed by such persons.

IN WITNESS WHEREOF, the Undersigned Party has entered into this Agreement as of the date shown above.

~~iNX:~~CONTACT INFORMATION

~~**iNX BUILDING MAINTENANCE SOLUTIONS, INC.**~~ ~~a California corporation~~	UNDERSIGNED PARTY Signature: _____
~~By:~~ _____	Print Name: _____
~~Name:~~ _____	Relationship to Franchisee:
~~Title:~~ _____	_____
_____	~~By:~~ _____
_____	~~Name:~~ _____
_____	~~Title:~~ _____
_____	_____

~~Schedule 7~~ Schedule 6

COLLATERAL ASSIGNMENT OF ~~TELEPHONE NUMBERS, EMAIL ADDRESSES; URLS (“Assignment~~CONTACT INFORMATION (“ASSIGNMENT”)

You, the undersigned, _____, a _____ [*add name of Franchisee Business Entity and state of organization/formation*] are the “**Franchisee**” ~~in that certain~~under a Franchise Agreement dated _____ (“**Agreement**”) entered into with us, iNX BUILDING MAINTENANCE SOLUTIONS, INC., a California corporation (“**iNX**” or “us” or “we”).

You and we are executing this Assignment concurrently with our execution of the Agreement and in accordance with the requirements of the Agreement. The Effective Date of this Assignment is the same as the Effective Date of the Agreement. All capitalized terms in this Assignment shall have the same meaning given to them in the Agreement and Franchisee incorporates those definitions into this Assignment by this reference.

You hereby irrevocably and unconditionally agree to assign and transfer to us, on the ~~Effective Date of Termination or Expiration of this Agreement (as defined in~~effective date of expiration or termination of the Agreement~~),~~, all of your right, title, and interest in and to all telephone numbers, email addresses, assumed business name registrations, domain names and “URLs” (collectively, the “**Contact Information**”) that you now or in the future use to operate the Franchised Business.

You may not revoke or modify this Assignment without our prior written consent. You understand and agree that this Assignment is for collateral purposes only and does not impose on us any liability or obligation of any kind to you or any third party arising from or in connection with the operation of the Franchised Business or your, or your employees’ or agents’ acts or omissions. Our execution of this Assignment does not create or impose any express or implied obligations on us with respect to the Contact Information or otherwise. Nothing in this Assignment modifies your indemnity agreement in the Agreement.

On the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of ~~this~~the Agreement, you must immediately cease using the Contact Information and notify the third parties furnishing the Contact Information then in use by you (collectively referred to as “Provider Companies”) to effectuate the assignment and transfer of all of your right, title and interest in and to the Contact Information to us pursuant to the terms of this Assignment. If you fail to do so, you agree that this Assignment gives us the absolute and unconditional authority to direct the Provider Companies on your behalf to effectuate the assignment and transfer of the Contact Information to us. You agree that the Provider Companies may accept our written notice, the Agreement or this Assignment as conclusive proof of our exclusive rights in and to the Contact Information as of the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of ~~this~~the Agreement. You further agree that, if the Provider Companies require that you and we execute the Provider Companies’ own assignment forms or other transfer documents following the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of ~~this~~the Agreement, our execution of those forms or documentation on your behalf shall suffice as your consent and agreement to the assignment. For this purpose, you appoint us as your true and lawful attorney-in-fact to direct the Provider Companies to assign the Contact Information to us.

You agree to perform all additional acts and execute and deliver any documents as may be necessary to assist in or accomplish the purpose of this Assignment and cause the Provider Companies to complete the transfer and assignment to us or to our designee.

You furthermore agree to pay the Provider Companies any fees to complete the assignment and transfers in addition to paying the Provider Companies all sums due to them for making the Contact Information available to you during the Term of the Agreement. You agree to indemnify us for any expenses, including legal fees, that we incur if you fail to comply with the terms of this Assignment.

IN WITNESS WHEREOF, the parties have executed this ~~Schedule~~Assignment as of the Effective Date.

iNX:

iNX ~~BUILDING MAINTENANCE SOLUTIONS~~BUILDING MAINTENANCE SOLUTIONS, ~~INC~~INC.
a California corporation

By: _____

Name: _____

Title: _____
_____

Franchisee:

_____

By: _____

Name: _____

Title: _____
_____

Schedule ~~8~~7

RENEWAL ADDENDUM INSTRUCTIONS

- This Renewal Addendum may only be signed by an existing iNX franchisee in connection with exercising the Renewal Option in the franchisee's original Franchise Agreement.

- This Renewal Addendum to Franchise Agreement must be signed by the iNX franchisee concurrently with executing the then-current iNX Franchise Agreement at the time the iNX franchisee exercises the Renewal Option.

RENEWAL ADDENDUM TO FRANCHISE AGREEMENT

This RENEWAL Addendum ("Addendum") is made and entered into on _____ ("Effective Date") by and between iNX Building Maintenance Solutions, Inc. (~~interchangeably~~ "iNX," "our," "we," or "us"), a California corporation, and _____, a _____ [franchisee's legal name] (~~interchangeably~~ "you," "your," or "Franchisee") with reference to the following facts:

RECITALS

A. You and we are parties to that certain Franchise Agreement ("**Original Franchise Agreement**") pursuant to which we have awarded you a license to use the iNX System to operate a Franchised Business for the Term defined in the Original Franchise Agreement.

B. The Original Franchise Agreement grants you two consecutive options to renew the iNX franchise, each for a period of 10 years beginning on the next day after the last day of the expiring Term or first 10-year renewal term (each 10-year period is referred to as the "**Renewal Term**" and each option to renew is referred to as a "**Renewal Option**") subject to your satisfying specific conditions in the Original Franchise Agreement. Among the conditions to exercising the Renewal Option is the requirement that you execute our current form of Franchise Agreement at the time you give us the Renewal Notice ("**New Franchise Agreement**"). The Original Franchise Agreement requires that we amend the New Franchise Agreement in order to reflect the fact that you are exercising a Renewal Option.

C. You have given us a Renewal Notice indicating your desire to renew the franchise license and willingness to execute the New Franchise Agreement concurrently with this Addendum. This Renewal Addendum memorializes our agreement regarding the modifications to the New Franchise Agreement that shall apply during the Renewal Term consistent with the requirements of the Original Franchise Agreement.

D. By entering into this Addendum, we acknowledge that you have satisfied the conditions for exercising the Renewal Option.

NOW, THEREFORE, we each agree as follows:

I. DEFINITIONS; RECITALS; FULL FORCE AND EFFECT

A. Definitions. In this Addendum, the following terms shall have the same meaning given to them in the Original Franchise Agreement and the parties incorporate those definitions by this reference: iNX System; Renewal Notice; Renewal Option; Renewal Term; Term; and Territory.

B. Other Definitions. All other capitalized terms appearing in this Addendum shall either have the definition assigned to the term in this Addendum or in the New Franchise Agreement.

C. Recitals. We hereby incorporate the provisions in the Recitals as part of our agreement.

D. Full Force and Effect. Except as expressly amended by this Addendum, all provisions in the New Franchise Agreement shall apply to us and govern our relationship throughout the Renewal Term for all purposes. In the event of any conflict between the New Franchise Agreement and this Addendum, this Addendum shall control.

II. GRANT OF LICENSE FOR RENEWAL TERM; AMENDMENTS TO CURRENT FRANCHISE AGREEMENT

A. License. In consideration for your payment of the Renewal Fee identified in the Original Franchise Agreement, we hereby ~~grants~~grant to you, and you accept, the right and license to use the iNX System to operate the Franchised Business for the Renewal Term on the terms and conditions in the New Franchise Agreement as amended by this Addendum.

B. Term; Renewal Options. The Term of the New Franchise Agreement is the Renewal Term and the provisions of the New Franchise Agreement awarding any renewal options shall not apply and are fully superseded by the provisions in this Addendum. We each acknowledge that the Original Franchise Agreement awarded you two consecutive options to renew the franchise, each for a period of 10 years beginning on the next day after the last day of the expiring Term or first Renewal Term. We agree that, unless the New Franchise Agreement is terminated sooner, when the second Renewal Term expires, you will have no further right to renew the license awarded by the Original Franchise Agreement. If you wish to continue to operate as our licensee, you must at that time apply to us to purchase a new license to use the iNX System to operate a Franchised Business on the terms and conditions in our then-current Franchise Agreement if we are still awarding franchises at the time. The decision to award you a new license shall be left to our sole discretion. You understand that we may discontinue our franchise program in the United States at any time and for any reason and, if we do so, your Renewal Option shall be nullified as if it never was awarded and this Agreement shall expire on the last day of the Term or the first Renewal Term as appropriate.

C. Fees. Because you are entering into this Addendum in connection with exercising a Renewal Option, upon execution of the New Franchise Agreement, you are not required to pay the initial franchise fee stated in the New Franchise Agreement, but shall instead pay us the Renewal Fee specified in the Original Franchise Agreement. You are obligated to pay us all other fees specified in the New Franchise Agreement.

D. Training. Because you are executing the New Franchise Agreement in connection with exercising a Renewal Option, you are not required to complete, and are not offered the opportunity to participate in, the initial training program that we offer to new iNX franchisees. However, as a condition of this Addendum, you must satisfy our then-current training requirements, if any, for renewing franchisees at your sole expense.

E. Territory. During the Renewal Term, your Territory shall be the same geographic area identified in the Original Franchise Agreement. However, it shall be subject~~, however,~~ to our reserved rights as set forth in the New Franchise Agreement.

III. ENTIRE AGREEMENT

A. No amendment, change, modification or variance to or from the terms and conditions in this Addendum shall be binding unless set forth in a writing that is duly executed by both of us.

B. This Renewal Addendum together with the New Franchise Agreement and any exhibits, and any agreements that this Addendum expressly incorporates by reference sets forth the entire agreement between us pertaining to the renewal of your franchise license. Nothing in this Addendum is intended to disclaim the representations that we have made in our Franchise Disclosure Document delivered to you before the Effective Date of this Addendum.

IN WITNESS WHEREOF, the parties have executed this Schedule as of the Effective Date.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC. a California corporation	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

Schedule ~~9~~8

INTELLECTUAL PROPERTY RIGHTS TERMS OF USE

A. Defined Terms. Any capitalized terms used but not defined in these Intellectual Property Terms of Use ("**Terms of Use**")shall have the meaning given to them in the Franchise Agreement.

B. ~~A.~~ Ownership. You agree not to contest or assist any other person to contest the validity of our Intellectual Property Rights in and to the iNX System or its components either during the Term or after the ~~Effective Date of Termination or Expiration~~effective date of expiration or termination of ~~this~~the Franchise Agreement.

C. ~~B.~~ Use of the iNX System.

1. ~~1.~~ In operating the Franchised Business, you must (i) use only the elements of the iNX System that we designate and only in the manner that we authorize; (ii) use the iNX System only in connection with the operation of the Franchised Business and not in connection with other unrelated activities; (iii) display notices of trademark and service mark registrations in the exact manner that we specify; (iv) use the specific Assumed Name that we assign to you and obtain fictitious or assumed name registrations for the Assumed Name as required by Applicable Law; and (v) prominently post notices to Accounts, suppliers, vendors, employees and others with whom you deal informing them that you are the independent owner of the Franchised Business operating under a license from us.

2. ~~2.~~ Except for using the Assumed Name as the fictitious business name of the Franchised Business, you may not use the Licensed Marks (i) with any prefix, suffix or other modifying words, terms, designs, colors or symbols; (ii) in any modified form; (iii) in connection with the sale of any unauthorized goods or services; (iv) in any manner not expressly authorized in writing by us; or (v) in any manner that may result in our liability for your debts or obligations.

3. ~~3.~~ You may not cover up, remove, or alter any patent, copyright, trademark, or other notices that we require you to use to signify our ownership of the Intellectual Property Rights.

4. ~~4.~~ We reserve the right to: (i) modify or discontinue licensing any of our Intellectual Property Rights or components of the iNX System; (ii) add new names, marks, designs, logos or commercial symbols to the Licensed Marks and require that you use them and remove names, marks, designs, logos or commercial symbols that we discontinue within a reasonable time after receiving notice from us; (iii) modify or discontinue practices or requirements that we include as part of the iNX System as of the Effective Date; (iv) modify the Assumed Name previously assigned to you and assign a new Assumed Name to you; or (v) require that you follow new practices or requirements as part of the iNX System in operating the Franchised Business. You must comply, at your sole expense, with our directions regarding changes in the iNX System within a reasonable time after written notice from us. We are not liable to you for any cost, expense, loss, or damage that you incur to comply with our directions and adopt changes to the iNX System including changes to the Licensed Marks or Assumed Name.

5. ~~5.~~ You understand and agree that any unauthorized use of the iNX System or its components will constitute both a breach of ~~this~~the Franchise Agreement and an infringement of our Intellectual Property Rights.

D. ~~C.~~ ~~Brand Standards~~ Manual.

1. ~~1.~~ As part of the franchise license, you have the limited right to use our ~~Brand Standards~~ Manual during the Term. The ~~Brand Standards~~ Manual is, and at all times will remain, our sole property, and we own all Intellectual Property Rights in its content.

2. ~~2.~~ The ~~Brand Standards~~ Manual contains both mandatory and recommended specifications, standards, procedures, rules, and other information pertinent to the iNX System and your obligations under ~~this~~the Franchise Agreement. The ~~Brand Standards~~ Manual, as modified by us from time to time, is an integral part of ~~this~~the Franchise Agreement, and all provisions now or hereafter in the ~~Brand Standards~~ Manual or otherwise communicated to you in writing are expressly incorporated in this Agreement by this reference and made a part hereof. You must fully comply with all mandatory requirements now or hereafter included in the ~~Brand Standards~~ Manual and understand and agree that a breach of any mandatory requirement in the ~~Brand Standards~~ Manual is a breach of ~~this~~the Franchise Agreement and grounds for termination of ~~this~~the Franchise Agreement.

3. ~~3.~~ You must treat all information in the ~~Brand Standards~~ Manual as our Confidential Information and use all reasonable efforts to keep the information secret. Without our prior written consent, you may not copy, duplicate, print, record or otherwise reproduce the ~~Brand Standards~~ Manual, in whole or in part, or otherwise make the ~~Brand Standards~~ Manual available to your employees who do not require access to its contents in order to carry out their work duties. Any misuse of the ~~Brand Standards~~ Manual or other Confidential Information by your employees or contractors to whom access is given ~~that violates this Agreement is~~constitutes a breach by you of ~~this~~the Franchise Agreement ~~by you~~.

4. ~~4.~~ If we furnish any portion of the ~~Brand Standards~~ Manual to you in a printed "hard" copy rather than in electronic or digital format, you must take adequate precautions to ensure that the copies are kept in a secure place to prevent their inadvertent disclosure to persons not authorized to have the information in order to perform their work duties.

5. ~~5.~~ If the ~~Brand Standards~~ Manual is furnished in electronic or digital format by, for example, posting the ~~Brand Standards~~ Manual on the Network Portal, you understand that we will issue separate access passwords to the individuals in your ~~General Manager and your Primary Owner (if different people)~~Management Group. You will be in breach of ~~this~~the Franchise Agreement if any person with authorized user credentials to the Network Portal shares their authorized user credentials with anyone else including other personnel in your organization or otherwise misuses the ~~Brand Standards~~ Manual or other Confidential Information.

6. ~~6.~~ We may modify the ~~Brand Standards~~ Manual from time to time to reflect changes that we implement in the mandatory and recommended specifications, components, standards, and operating procedures of the iNX System. All revisions will be reflected in written or electronic supplements to the ~~Brand Standards~~ Manual or in other written or electronic communications delivered to you, and each supplement or communication shall become effective when it is posted on the Network Portal or on the date specified by us. If updates are provided by "hard" copy (as opposed to electronically), you must insert any updated pages in your copy of the ~~Brand Standards~~ Manual upon receipt and remove superseded pages and return them to us within 5 days following receipt. You must adjust your operations to reflect all revisions that we make to mandatory specifications, standards, operating procedures, and rules at your sole expense.

7. ~~7.~~ Unless ~~this~~the Franchise Agreement designates a different time period in which to adopt changes that we may make to the iNX System through updates to the ~~Brand Standards~~

Manual, we will allow you a reasonable amount of time to adopt changes, which will be no less than 30 days from the date a ~~Brand Standards~~ Manual update becomes effective, unless we indicate a longer period in writing.

E. ~~D.~~ Confidential Information.

1. ~~1.~~ You acknowledge that we may disclose Confidential Information to you during the Term in various ways including by providing you with access to the ~~Brand Standards~~ Manual; delivering training programs; sharing information about prospective and existing Accounts; licensing the use of Account Data; sharing data about the performance of Network Members as a whole or groups of Network Members for purposes of improving marketing and competitive strategies; sharing business plans and other competitively sensitive information; and through the performance of our obligations and the exercise of our rights under ~~this~~t the Franchise Agreement. You acquire no interest in any Confidential Information that we may share with you other than a license to use the Confidential Information to operate the Franchised Business subject to the terms of ~~this~~the Franchise Agreement.

2. ~~2.~~ Your use, publication, or duplication of Confidential Information for any purpose not authorized by ~~this~~the Franchise Agreement constitutes an unfair method of competition by you and, additionally, grounds for termination of ~~this~~the Franchise Agreement.

3. ~~3.~~ You agree to: (i) confine disclosure of Confidential Information to your employees and agents who require access in order to perform their duties to you; and (ii) observe and implement reasonable procedures that we may prescribe to prevent the unauthorized or inadvertent use, publication or disclosure of Confidential Information, including requiring that any person given access to Confidential Information, who is not otherwise required to sign a Confidentiality and Non-Competition Agreement, executes our current form of Confidentiality Agreement with you. Upon request from us, you must deliver to us a true copy of each executed Confidentiality Agreement for our records. We may terminate ~~this~~the Franchise Agreement if any person required by ~~this~~the Franchise Agreement to execute a Confidentiality Agreement breaches the Confidentiality Agreement. All duties in ~~this~~the Franchise Agreement pertaining to Confidential Information shall survive the expiration, termination, or the consummation of an Event of Transfer of ~~this~~the Franchise Agreement.

4. ~~4.~~ The provisions concerning non-disclosure of Confidential Information shall not apply if disclosure of Confidential Information is legally compelled in a judicial or administrative proceeding if you have used your best efforts to provide us with a reasonable opportunity to obtain an appropriate protective order or other assurance satisfactory to us of confidential treatment for the information required to be disclosed.

F. ~~E.~~ Account Data.

1. ~~1.~~ You understand and agree that we own all Account Data even if you are responsible for identifying and recruiting the Account or the Account Data is developed or generated primarily or entirely because of your efforts. You understand and agree that ~~this~~the Franchise Agreement awards you a license to use Account Data during the Term solely to conduct the Franchised Business in accordance with ~~this~~the Franchise Agreement. You may not use Account Data for any purpose unrelated to the Franchised Business or make a market in or attempt to sell or license Account Data to third parties for any purpose. All Account Data is our Confidential Information. While ~~this~~the Franchise Agreement is in effect, neither you nor we may use or disclose Account Data in a manner that is detrimental to our ongoing relationship with an Account.

2. ~~2.~~ You may retain a copy of Account Data for only the Accounts to which you provided Authorized Services during the last 24 months of the Term if Applicable Law requires that you retain this information, in which case you may retain the information only for the purposes and duration specified in Applicable Law. During this time period, you must continue to treat Account Data as Confidential Information.

3. ~~3.~~ The expiration or termination of ~~this~~the Franchise Agreement for any reason shall automatically terminate your license to use Account Data, and you must comply with the obligations regarding Confidential Information that take effect upon the termination or expiration of ~~this~~the Franchise Agreement or consummation of an Event of Transfer.

G. ~~F.~~ Defense of the iNX System.

1. ~~1.~~ We have the sole right to handle disputes with third parties challenging our Intellectual Property Rights or rights in, or your use of, the iNX System or its components.

2. ~~2.~~ You must immediately notify us in writing if you receive notice, or are informed, of any: (i) improper use of any of the components of the iNX System; (ii) use by any third party of any mark, design, logo or commercial symbol that may be confusingly similar to any of the Licensed Marks; (iii) use by any third party of any business practice that unfairly simulates the iNX System in a manner likely to confuse or deceive the public; or (iv) claim, challenge, suit or demand asserted against you based upon your use of any of the components of the iNX System or our Intellectual Property Rights. A legal proceeding, use, demand, or threat encompassing the subject matters described in (i), (ii), (iii) and (iv) is collectively referred to as a "**Third-Party Claim**."

3. ~~3.~~ We have sole discretion to take the action that we deem appropriate with respect to a Third-Party Claim including to take no action, and the sole right to control any legal proceeding or negotiation arising out of a Third-Party Claim. You may not settle or compromise any Third-Party Claim and must agree to be bound by our decisions over how to handle a Third-Party Claim. You must cooperate fully with us and execute the documents and perform the actions that may, in our sole discretion, be necessary, appropriate or advisable in the defense of a Third-Party Claim.

4. ~~4.~~ Except as provided in ~~this **Schedule 9**~~these Terms of Use, we agree to defend you against the Third-Party Claim if you have notified us immediately after learning of the Third-Party Claim and fully cooperate in our defense of the Third-Party Claim. Your rights ~~in this **Schedule 9**~~under these Terms of Use shall be your sole and exclusive remedy in the event of any Third-Party Claim involving any element of the iNX System.

5. ~~5.~~ Because we will defend the Third-Party Claim, you are not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter.

6. ~~6.~~ Notwithstanding our agreement to defend you under the conditions stated in ~~this **Schedule 9**~~these Terms of Use, you understand and agree that we are not liable to indemnify or reimburse you for any liability, costs, expenses, damages or losses that you may suffer or sustain as a result of the Third-Party Claim, with the exception that we will (i) reimburse you for your actual direct costs to change any materials that bear the Licensed Marks or change any property incorporating any other feature of the iNX System that is found to infringe the rights of a third party, and (ii) if a judgment is rendered against you, indemnify you for the amount of any damages awarded as part of the judgment.

7. ~~7.~~ You must assign to us any claims that you may have against the third party asserting the infringement claim.

8. ~~8.~~ You, on behalf of yourself and your Affiliates and Owners, hereby waive any claim against us, our Affiliates, and our respective officers, directors, shareholders, employees and agents for lost profits or consequential damages of any kind based on Third-Party Claims involving the iNX System.

9. Our indemnity obligations ~~in this **Schedule 9**~~under these Terms of Use shall not extend to any Third-Party Claim arising out of or relating, directly or indirectly, to your misuse of the iNX System. Furthermore, our obligations ~~in this **Schedule 9**~~under these Terms of Use shall not extend to any Third-Party Claim arising out of or relating to any form of misuse of the iNX System by your Owners, employees or agents.

Schedule 10

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

This **CONFIDENTIALITY AND NON-COMPETITION AGREEMENT** ("**Agreement**") is made as of _____, _____ ("Effective Date") by the person whose name and signature appears on the last page of this Agreement and is printed here: _____, ("**Undersigned Party**") in favor of iNX Building Maintenance Solutions, Inc. ("**iNX**") with reference to the following facts:

A. iNX and _____ ("**Franchisee**") are parties to that certain iNX Franchise Agreement ("Franchise Agreement") entered into by and between them on or before the Effective Date of this Agreement.

B. The Franchise Agreement obligates Franchisee to (i) confine disclosure of Confidential Information that belongs to iNX to those members of its management, employees and agents who require access to the Confidential Information in order to perform the functions for which they have been hired and to enable Franchisee to perform its obligations under the Franchise Agreement; and (ii) observe and implement reasonable procedures to prevent the unauthorized or inadvertent use, publication or disclosure of iNX's Confidential Information including requiring that members of Franchisee's management, employees and other agents execute iNX's form of Confidentiality Agreement. Additionally, before iNX will deliver training to one of Franchisee's employees, the employee must execute iNX's form of Confidentiality Agreement.

C. Additionally, the Franchise Agreement obligates Franchisee to cause each individual who is or becomes a Covered Person to agree in writing to specific restrictions regarding Competitive Businesses.

D. The Undersigned Party acknowledges that, based on the Undersigned Party's relationship with Franchisee, the Undersigned Party's failure or refusal to execute this Agreement would cause Franchisee to be in breach of its obligations under the Franchise Agreement.

NOW, THEREFORE, the Undersigned Party having read this Agreement and being familiar with the terms of the Franchise Agreement, hereby agrees as follows:

I. DEFINITIONS

A. The Undersigned Party represents that he or she has had the opportunity to become familiar with the terms of the Franchise Agreement and agrees that any capitalized terms that are not defined in this Agreement shall have the meaning given to them in the Franchise Agreement and incorporates these definitions into this Agreement. The words "**includes**" and "**including**" and words of similar effect will not be deemed to limit the general effect of the words that precede them. The language in this Agreement shall not be presumptively construed either in favor of or against iNX or the Undersigned Party. The headings within this Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Agreement. All references to Confidential Information in this Agreement refers exclusively to iNX's Confidential Information.

II. NONDISCLOSURE OF CONFIDENTIAL INFORMATION

A. The Undersigned Party agrees not to use, disclose, duplicate, sell, reveal, divulge, publish, furnish or communicate, either directly or indirectly, any Confidential Information to any other person without iNX's prior written consent or if doing so would constitute a breach of the Franchise Agreement if committed by Franchisee.

B. The Undersigned Party agrees not to use any Confidential Information for his or her own personal gain or to further the purposes of others, whether or not the Confidential Information has been conceived, originated, discovered or developed, in whole or in part, by the Undersigned Party or represents the Undersigned Party's work product. To the extent the Undersigned Party has assisted in the preparation of any information that iNX considers to be its Confidential Information or has prepared or created, or contributed to the preparation or creation of such information, the Undersigned Party hereby assigns any rights that he or she may have in such information as creator to iNX including all ideas made or conceived by the Undersigned Party.

C. The Undersigned Party acknowledges that the use, publication or duplication of iNX's Confidential Information for any purpose not authorized by the Franchise Agreement constitutes an unfair method of competition by the Undersigned Party and a material and substantial breach of the Franchise Agreement by Franchisee, which potentially could result in the termination of the Franchise Agreement and Franchisee's liability to iNX under Applicable Law.

D. The provisions of this Section shall apply forever for as long as Confidential Information meets the conditions in the Franchise Agreement and qualifies as Confidential Information and survives the expiration or termination of all contracts between iNX and Franchisee.

E. The provisions concerning non-disclosure of Confidential Information shall not apply if disclosure of Confidential Information is legally compelled in a judicial or administrative proceeding as long as the Undersigned Party has used its best efforts to provide iNX with a reasonable the opportunity to obtain an appropriate protective order or other assurance satisfactory to iNX of confidential treatment for the information required to be disclosed. If the Undersigned Party believes that he or she is or may be legally required to disclose Confidential Information, the Undersigned Party agrees to notify iNX as soon as possible and give iNX a reasonable time to respond and defend against or mitigate disclosure of Confidential Information.

III. RETURN OF MATERIALS CONTAINING CONFIDENTIAL INFORMATION

A. When the Undersigned Party severs its relationship with Franchisee, the Undersigned Party shall surrender to Franchisee all materials in the possession relating or concerning any Confidential Information.

B. If the Undersigned Party is still associated with Franchisee when the Franchise Agreement ends for any reason, the Undersigned Party shall surrender to Franchisee, or, if directed by iNX, directly to iNX, all materials in the possession of the Undersigned Party relating or concerning any Confidential Information.

C. The Undersigned Party expressly acknowledges that all materials in the possession of the Undersigned Party relating or concerning any Confidential Information are, and shall remain, the sole property of iNX.

IV. AGREEMENTS REGARDING COMPETITIVE BUSINESSES: APPLICABLE ONLY IF THE UNDERSIGNED PARTY IS A COVERED PERSON

A. While the Franchise Agreement is in effect and the Undersigned Party is a Covered Person, the Undersigned Party shall not, directly or indirectly, own, join, support or become affiliated in any capacity with any Competitive Businesses located anywhere in the United States whether as an investor, partner, lender, director, officer, manager, employee, consultant, independent contractor, broker, representative or agent. This restriction includes owning any interest in a Competitive Business (either beneficially or of record) or engaging in or rendering services to a Competitive Business located anywhere in the United States. If the Undersigned Person is a Covered Person, the restrictions in this Section shall not apply to the Undersigned Party for a period longer than 24 months from the date the Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee. The Undersigned Party acknowledges that these restrictions are reasonable and necessary to protect iNX's legitimate business interests, which include taking reasonable measure to prevent iNX's Confidential Information from benefiting the interests of a company that is a competitor of iNX.

B. While the Franchise Agreement is in effect and the Undersigned Party is a Covered Person, the Undersigned Party shall not, directly or indirectly divert, or attempt to divert, any business or customer of the Franchised Business to any competitor by direct or indirect inducement or perform any act that directly or indirectly could, or may, injure or prejudice the goodwill and reputation of the Licensed Marks or the iNX System.

C. The Undersigned Party acknowledges and agrees that the covenants in this Section are independent of the other covenants and provisions of this Agreement. If any provision in this Section is void or unenforceable under California law, but would be enforceable as written or as modified under the laws of the state in which Franchisee's Territory is located (the "Local Laws"), the Local Laws shall govern any dispute between the Undersigned Party and iNX concerning or involving the construction, interpretation, validity or enforcement of the restrictions in this Agreement regarding a Competitive Business applicable to the Undersigned Party. The Undersigned Party authorizes iNX to revise the scope of any void or unenforceable covenant to the Local Laws so that it is enforceable and agrees to be bound by any modified covenant conforming to the Local Laws as if originally stated in this Agreement.

D. The Undersigned Party acknowledges that the Franchise Agreement defines "Competitive Business" to mean any business, regardless of the nature of the business or if it is a Business Entity or sole proprietorship, that performs janitorial or building maintenance services to non-residential Accounts for compensation.

V. IRREPARABLE HARM

A. The Undersigned Party acknowledges and agrees that iNX will suffer irreparable injury not capable of precise measurement in monetary damages if it violates the restrictions regarding Confidential Information, or, if the Undersigned Party is a Covered Person, the restrictions regarding Competitive Businesses. If either breach occurs, the Undersigned Party consents to the issuance of interim relief including an injunction, without iNX having to post bond or comparable security, as reasonable and necessary for the protection of iNX's legitimate business interests.

VI. DISPUTE RESOLUTION

A. The Undersigned Party agrees that any dispute arising out of this Agreement shall be resolved pursuant to the Section of the Franchise Agreement captioned "DISPUTE RESOLUTION" and incorporates those provisions into this Agreement and agrees to be bound by them. The governing law of this Agreement is the same as the governing law of the Franchise Agreement.

VII. MISCELLANEOUS

A. The Undersigned Party represents that it has been provided with a copy of, and read, the relevant provisions of the Franchise Agreement.

B. The Undersigned Party agrees to comply with and assist iNX to the fullest extent possible in iNX's efforts to comply with all Anti-Bribery Laws and Anti-Money Laundering Laws in existence now or enacted after the Effective Date

C. Any waiver granted to the Undersigned Party by iNX excusing or reducing any obligation or restriction imposed under this Agreement shall be evidenced by a writing executed by iNX in order to be effective and shall only be effective to the extent specifically allowed in such writing. No waiver granted by iNX shall constitute a continuing waiver. Any waiver granted by iNX shall be without prejudice to any other rights iNX may have. The rights and remedies granted to iNX are cumulative. No delay on the part of iNX in exercising any right or remedy shall preclude iNX from fully exercising such right or remedy or any other right or remedy.

D. This Agreement sets forth the entire agreement made by the Undersigned Party pertaining to the subject matter hereof, fully superseding any and all prior agreements or understandings that may exist between the Undersigned Party and the iNX pertaining to such subject matter. No amendment, change, modification or variance to or from the terms and conditions set forth in this Agreement shall be binding on the Undersigned Party unless it is set forth in a writing and duly executed by the Undersigned Party and iNX.

E. This Agreement shall be binding on the Undersigned Party's heirs, executors, successors and assigns as though originally executed by such persons.

IN WITNESS WHEREOF, the Undersigned Party has entered into this Agreement as of the date shown above.

CONTACT INFORMATION	UNDERSIGNED PARTY
_____	Signature: _____
_____	Print Name: _____
_____	Relationship to Franchisee: _____
_____	

EXHIBIT D

~~FINANCIAL STATEMENTS~~

~~The following financial statements include unaudited financial statements for the period from January 1, 2024, through January 31, 2024.~~

~~The unaudited financial statements were prepared without an audit, which means that no certified public accountant has audited the figures or expressed their opinion with regard to the content or form of the financial statements~~

~~**EXHIBIT E**~~

~~**PROMISSORY NOTE**~~
~~**("NOTE")**~~

PROMISSORY NOTE ("Note")

Date: _____ $_____ [principal amount of Note]

FOR VALUE RECEIVED, the undersigned, _____, a _____ [*add name of Franchisee Business Entity and state of organization/formation*], which is the party that is identified as "**Franchisee**" in that certain Franchise Agreement dated _____ ("Agreement") entered into with iNX BUILDING MAINTENANCE SOLUTIONS, INC., a California corporation ("iNX"), promises to pay to iNX or to its order the principal amount stated above and on **Schedule A** together with interest thereon at the per annum rate shown on **Schedule A**, in the number of installments shown on **Schedule A**, with the first payment due and payable on or before the date shown on **Schedule A** and thereafter on or before the first date of each calendar month in the amounts shown on the amortization Schedule on **Schedule A**.

Payments. Franchisee must make payments in lawful money of the United States of America and in immediately available funds. Computations of interest will be based on a year of 360 days but will be calculated for the actual number of days in the period for which interest is charged.

All payments under this Note will be made to iNX at 11150 West Olympic Blvd., Suite 1050 PMB 1067, Los Angeles, CA 90064, or at any other address that iNX instructs Franchisee to use in writing. iNX is entitled to deduct Franchisee's monthly payments, in whole or in part, from payments received from Franchisee's customers.

This Note may be prepaid in whole or in part, without penalty, at the option of Franchisee and without the consent of iNX. All payments will be applied first to accrued and unpaid interest and then to the principal balance outstanding.

Security. Payment of this Note is secured by the security agreement in the Franchise Agreement. As additional security for repayment, each of Franchisee's Owners has executed a Personal Guaranty in favor of iNX.

Event of Default. Each of the following is an event of default ("Event of Default") under this Note: (i) iNX fails to receive any payment within 5 days after the date payment is due; (ii) Franchisee makes a material misrepresentation or omission to induce iNX to make this loan to Franchisee; (iii) Franchisee breaches any of its obligations under the Franchise Agreement; or (iv) the Franchise Agreement is terminated for any reason.

Remedies for an Event of Default. If an Event of Default occurs, iNX may at its option, by written notice to Franchisee, declare the entire principal balance of this Note, together with all accrued interest, immediately due and payable and exercise any other rights and remedies provided under applicable law. An Event of Default shall constitute a default under the Franchise Agreement and grounds permitting iNX to terminate the Franchise Agreement. If an Event of Default occurs, Franchisee agree to pay all reasonable attorney's fees and costs of collection whether or not iNX files a formal action to the fullest extent permitted by applicable law.

Dispute Resolution. This Note will be governed by the laws of the State of California excluding its conflict of law rules. The exclusive jurisdiction and venue of any legal action instituted by any party to this Note will be the County of Los Angeles, California.

The prevailing party in any action (i) to collect payment on this Note, (ii) in any dispute that arises as to its enforcement, validity, or interpretation, whether or not legal action is instituted or prosecuted to judgment, or (iii) to enforce any judgment obtained in any related legal proceeding, will be entitled to all costs and expenses incurred including its attorney fees.

Additional Provisions. Time is of the essence of this Note. Franchisee hereby waives demand for payment, presentment for payment, protest, notice of nonpayment or dishonor, and any and all other notices and demands that may be provided for under applicable law. The terms of this Note may not be waived, modified or amended except by an instrument in writing signed by both Franchisee and iNX. iNX's failure to exercise or delay in exercising any right or remedy under this Note or applicable law shall operate as a waiver. iNX's rights and remedies under this Note are cumulative and not exclusive of any rights, remedies, powers or privileges provided by applicable law. The terms of Schedule A are incorporated into and part of this Note.

Assignment. iNX may assign and transfer this Note to any person or entity without prior notice to or consent of Franchisee. Franchisee may not assign or delegate its obligations under this Note under any circumstance.

NAME OF FRANCHISEE (PRINT): _____

BY: _____

ITS: _____

_____

Print name of person signing on behalf of Franchisee

~~**SCHEDULE A TO NOTE**~~

~~Principal Amount: $_____~~
~~Interest Rate Per Annum: _____%~~
~~First Payment Date: _____~~
~~Monthly Installment Amount: _____~~
~~Maturity Date: _____~~

~~**EXHIBIT F**~~

~~**MUTUAL GENERAL RELEASE**~~

MUTUAL GENERAL RELEASE

This MUTUAL GENERAL RELEASE ("Release") is made as of _____, _____ ("**Release Effective Date**") by and between iNX BUILDING MAINTENANCE SOLUTIONS, INC., a California corporation ("**iNX**") and _____ ("**Franchisee**"), with reference to the following facts:

A. iNX and Franchisee are parties to that certain Franchise Agreement ("**Franchise Agreement**") entered into by and between them on or before the Release Effective Date.

B. This Release is being executed pursuant to the requirements of the Franchise Agreement and the consideration that supports, or has supported, the parties' agreements in this Release is the consideration originally given for the Franchise Agreement.

NOW, THEREFORE, iNX and Franchisee agree as follows:

1. MUTUAL RELEASE

1.1 Released Claims.

1.1.1 Except for the obligations created by this Release, iNX on the one hand for itself and its corporate affiliates, successors, assigns, and their respective officers, directors, owners, members, managers, employees, insurers, agents, representatives and attorneys, and all persons acting by and through them (collectively, the "**iNX Parties**"), and Franchisee on the other hand, for itself and its corporate affiliates, successors, assigns, and their respective officers, directors, owners, members, managers, employees, insurers, agents, representatives and attorneys, and all persons acting by and through them (collectively, the "**Franchisee Parties**"), do hereby irrevocably and unconditionally release and forever discharge the other from and against any and all claims, debts, promises, agreements, demands, causes of action, attorneys' fees, losses and expenses, whether known or unknown, suspected or unsuspected, filed or unfiled, prior to the Parties' execution of this Release, including any claims, debts, promises, agreements, demands, causes of action, attorneys' fees, losses and expenses relating to, arising out of or in connection with the Franchise Agreement in effect on the Release Effective Date (the "**Released Claims**").

1.1.2 iNX (on behalf of the iNX Parties) and Franchisee (on behalf of the Franchisee Parties) each acknowledge and understand that there is a risk that subsequent to the execution of this Release, they may discover facts or claims that were unknown or unanticipated at the time of the execution of this Release and which, if known on the date of the execution of this Release, might have materially affected their separate decision to enter into and execute this Release. By their signatures, each party enters into this Release with knowledge of these risks.

1.2 **Excluded Claims**. Excluded from the scope of the Released Claims are all obligations that expressly or by their nature survive the termination or expiration of the Franchise Agreement including (i) duties pertaining to Confidential Information; (ii) the dispute resolution provisions; (ii) indemnification obligations; and (iii) duties that require performance by a party after the effective date of termination or expiration of the Agreement or the transfer or assignment of the Franchise Agreement. The obligations described in (i) – (iii) are collectively described as the "**Excluded Claims**." The Released Claims do not include the Excluded Claims and nothing in this Release releases, discharges or absolves a party from Excluded Claims.

1.3 **Special California Provision**. The parties understand and agree that by releasing the Released Claims, each of them is assuming the risk of such unknown claims and agrees that the releases apply to unknown claims. In connection therewith, iNX (on behalf of the iNX Parties) and Franchisee (on behalf of the Franchisee Parties) each expressly waives the benefits of Section 1542 of the California Civil Code, and any other similar statute or case law authority of the United States, of any State, territory or possession of the United States, and of any foreign country. Section 1542 reads 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.

2. MISCELLANEOUS

2.1 **Confidentiality**. The terms of this Release are confidential and neither party may disclose the terms of this Release to any third party except to the extent necessary to enable a party to comply with a statutory duty; or (ii) if disclosure is ordered by a court of law.

2.2 **Definitions; Construction**. Any capitalized terms not defined in this Release shall have the meaning given to them in the Franchise Agreement and the parties incorporate these definitions into this Release. The words "includes" and "including" and words of similar effect will not be deemed to limit the general effect of the words that precede them. The language in this Release shall not be presumptively construed either in favor of or against either party. The headings within this Release are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Release.

2.3 **Binding on Successors**. The provisions of this Release shall inure to the benefit of, and shall be binding upon, the heirs, administrators, assigns and successors-in-interest of each of the parties.

2.4 **Integration**. This Release is entered into pursuant to the terms of the Franchise Agreement and constitutes an integration of the entire understanding and agreement of the parties with respect to its subject matter. Any representations, warranties, promises or conditions, whether written or oral, not specifically and expressly incorporated in this Release, shall not be binding on any of the parties. Each party acknowledges that, in entering into this Release, it has not relied on

any representations, warranty, promise or condition not specifically and expressly set forth in this Release. All prior discussions and writings have been, and are, merged and integrated into, and are superseded by, this Release.

2.5 **Authority to Execute; No Assignment**. The individual executing this Release for iNX represents and warrants that they are unconditionally authorized to execute this Release and release the Released Claims on behalf of iNX and the iNX Parties, and the individual executing this Release for Franchisee represents and warrants that they are unconditionally authorized to execute this Release and release the Released Claims on behalf of Franchisee and the Franchisee Parties. Each party represents and warrants to the other that that it has not previously assigned any of the Released Claims.

2.6 **Counterparts**. This Release may be executed in counterparts, each of which, when executed, shall be deemed an original, but all of which counterparts together shall constitute one and the same instrument. Signatures transmitted by facsimile or electronically shall be deemed originals.

2.7 **Dispute Resolution**. Any dispute arising out of or pertaining to this Release shall be resolved pursuant to the dispute resolution provisions in the Franchise Agreement and the parties incorporate the dispute resolution provisions in the Franchise Agreement by this reference.

2.8 **Further Assurances**. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Release.

IN WITNESS WHEREOF, the parties have entered into this Release as of the Release Effective Date.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC., a California corporation	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

~~**EXHIBIT G**~~

~~**CURRENT FRANCHISEES**~~

~~CURRENT FRANCHISEES~~

~~Christian Berrocal~~
~~First Choice Maintenance~~
~~4223 West 63rd St.~~
~~Los Angeles, CA 90043~~
~~(310) 266-7868~~

~~Roberto Perez Ultra Clean~~
~~11808 Carlisle Avenue~~
~~Chino, CA 91710~~
~~(323) 496-1854~~

~~Roman Haus~~
~~Executive Building Solutions Inc.~~
~~537 Cinderella Drive~~
~~Claremont, CA 91711~~
~~(909) 964-5662~~

~~Cabreras Cleaning Solutions~~
~~Humberto Cabrera Jr.~~
~~13121 S. Vesta Ave~~
~~Compton, CA 90222~~
~~(424) 246-0563~~

~~Victor Rosales~~
~~VMI~~
~~1204 Mira Valle St.~~
~~Corona, CA 92879~~
~~(951) 463-6851~~

~~Gustavo Perez~~
~~GP Commercial Cleaning~~
~~17024 Gumbiner Drive~~
~~La Puente, CA 91744~~
~~(626) 991-4690~~

~~Rosa Mena~~
~~Mena, Rosa~~
~~16600 Downey Avenue, SP#59~~
~~Paramount, CA 90723~~
~~(562) 413-0412~~

~~Yessenia Mendoza~~
~~A&C Corporation~~
~~9213 San Carlos Avenue~~
~~South Gate, CA 90280~~
~~(323) 519-8889~~

~~Jose Hurtado~~
~~1763 W 37th Dr.~~
~~Los Angeles, CA 90018~~
~~(213) 344-7349~~

~~Fernando Berrocal~~
~~FBO Maintenance LLC~~
~~833 W. 84th St.~~
~~Los Angeles, CA 90044~~
~~(310) 505-9944~~

~~Diego Larroca~~
~~D&C Cleaning Services~~
~~1250 W. San Bernardino Apt. #39~~
~~Covina, CA 91722~~
~~(626) 206-8429~~

~~Pedro Vasquez~~
~~AJ Maintenance Services~~
~~425 S New Hampshire Ave., #210~~
~~Los Angeles, CA 90020~~
~~(213) 268-6427~~

~~Maria de la Luz Carrillo~~
~~Sweet Cleaning Enterprise Inc.~~
~~8963 Bryson Avenue, Apt. B~~

~~South Gate, CA 90280~~
~~(310) 493 0179~~

~~**EXHIBIT H**~~

~~**TERMINATED AND TRANSFERRED FRANCHISES**~~

~~TERMINATED AND TRANSFERRED FRANCHISES*~~

~~*If we grant you this franchise, your contact information may be disclosed to other prospective franchisees when you leave the franchise system.*~~

~~Terminated Franchisees~~

~~Ana Gonzalez~~
~~Axcess K&A Cleaning~~
~~13629 Rancho Camino Dr~~
~~Paramount, CA 90723~~
~~(323) 787-5066~~

~~Transferred Franchisees~~

~~NONE~~

~~**EXHIBIT I**~~

~~**TABLE OF CONTENTS FOR BRAND STANDARDS MANUAL**~~

TABLE OF CONTENTS
Franchise Operations Manual

Table of Contents

Chapter 1: General Information 1

1. The Purpose of the Manual 2

2. How to Use This Manual 3

Chapter 2: The iNX Brand 4

1. The Brand 5

2. Core Values 6

3. Mission 7

4. Vision 8

Chapter 3: The Franchise Relationship 9

1. The Franchise Defined 10

1.1 Modifications of the System 10

2. The Franchisee/Franchisor Relationship 11

2.1. Independent Contractor 11

2.2. Independently Owned and Operated 11

2.3. You Are the CEO of This Business 11

2.4. Joint Employment & Vicarious Liability 12

3. Prices 13

4. Our Responsibilities 14

4.1. Pre-opening Obligations 14

4.2. Continuing Obligations 14

4.3. Site Approval Process 17

5. Your Obligations 19
5.1. Participation in the Business 19
5.2. Compliance 20
5.2.1. iNX Standards 20
5.2.2. Compliance with the Law 20
5.2.3. Approved Suppliers, Products, & Services 20
5.2.4. Payment of Fees & Taxes 21
5.2.5. Taxes 21
5.2.6. Confidentiality 21
5.2.7. Opening 21
5.2.8. Computers, Software & Technology 22
5.2.8.1. PEO & Employee Management 22
5.2.8.2. Internet & Email 22
5.2.8.3. Social Media 23
5.3. Training 23
5.3.1. Initial Training 23
5.3.2. Meetings & Conferences 23
5.3.3. Additional Training 23
5.4. Use of Marks & Proprietary Information 24
5.5. Advertising and Promotion 24
5.6. Insurance 24
5.7. Books, Records and Reports 25
5.7.1. Franchise Income Statement Approval 26
5.7.2. Reconciliation Statements 26
5.7.3. Submission of Financial Statements 27
5.8. Audits & Inspections 28
5.8.1. Financial Audits 28

5.8.2. Brand Standards Audits 28
6. Establishing Your Business Entity 29
6.1. Naming & Identification 29
6.1.1. Correct Use of the Name 29
6.1.2. Sample Business Names 30
6.1.3. Governing Documents 30
6.2. Tax Identification Numbers 30
Chapter 4: Operational Standards **31**
1. Overview 32
1.1. The Importance of Brand Standards 32
2. Review & Enforcement 33
2.1. Citations 33
3. The Operations Standards 34
3.1. Account Services Standards 34
3.1.1. Account Types 37
3.1.2. Rates and Acceptance 37
3.1.3. Quality Assurance Form 38
3.1.4. Missed or Late Appointments 39
3.1.5. First Time Consult 39
3.1.6. Service Change Orders 40
3.1.7. Employee Substitution Without Notice 41
3.1.8. Inspecting The Accounts 41
3.1.9. Enterprise Account Services 42
3.1.10. Account Security Standards 43
3.1.10.1. Keys 43
3.1.10.2. Alarms 43
3.1.10.3. Damage or Accidents 44

3.1.10.4. Valuable Items 44
3.1.10.5. Customer Property 44
3.1.10.6. Access to Customer Premises 44
3.1.11. Account Complaint Response Times 45
3.2. Clothing & Appearance 45
3.2.1. Clothing 46
3.2.2. Appearance 46
3.2.3. Smoking & Tobacco 47
3.3. Condition of Equipment 47
3.4. SDS Sheets 48
4. Safety Meetings 49
5. Standards Variances 50
5.1. How to Request a Variance 50
Chapter 5: Business Administration 51
1. Key Performance Indicators (KPI) & Profitability 52
1.1. Monthly Cash Flow 52
1.2. Costs 52
1.2.1. Labor Costs 52
1.2.2. COGS (Cost of Goods Sold) 52
1.2.2.1. Chemicals 53
1.2.2.2. Equipment 53
1.2.2.3. Fuel & Mileage 53
1.3. Other Metrics 53
1.3.1. Production Speed 53
2. Managing the Numbers 55
2.1. Reports 55

2.1.1. Building Records 55
2.1.2. Accounting Reports 55
2.1.3. Weekly Reports 56
2.1.4. Monthly Reports 56
3. Effective Scheduling 58
3.1. Establishing How Long a Job Should Take 58
4. Advance Requests 59
5. Reconciliation Statements on Accounts 60
5.1. Chargeback on Accounts 60
6. Inventory Control 61
Chapter 6: Staffing Best Practices 62
1. Overview and Disclaimer 63
2. Laws and Requirements 64
2.1. Accidental Price Fixing 64
3. Staying Personally Involved 65
4. Job Descriptions 66
4.1. Elements of a Job Description 66
4.1.1. Basic Job Identification 66
4.1.2. Essential Functions of the Job 66
4.1.3. Requirements of the Job 66
4.2. Suggested Job Descriptions 67
4.2.1. General Manager 67
4.2.2. Operations Manager 68
4.2.3. Supervisor 69
4.2.4. Service Technician 71
5. Replacement Staff 73
6. Confidentiality Agreements 74

7. Employee Orientation Best Practices 75

Chapter 7: Operations Best Practices 76

1. What Are Best Practices 77

2. Account Care Best Practices 78

2.1. Establishing the Relationship 78

2.2. First Time Consult 78

2.3. Plan of Action 79

2.4. Preparation 79

2.4.1. Pre-Start Walk Through 79

2.5. Timeliness 79

2.6. Responding to Accounts 80

2.6.1. Responding to Additional Service Requests or Scope of Work Changes 80

2.6.2. Responding to Price Requests 80

2.7. Responding to Client Complaints 81

2.7.1. Process to Respond to Client Complaints 82

2.8. Maintaining the Relationship 83

3. Cleaning Best Practices 84

3.1. Planning the Account 84

3.2. Developing a Routine 85

3.3. Routing the Work 85

3.4. Conserving Resources 85

3.5. Account Inspection Best Practices 86

3.5.1. Quality Audit – Building Inspection Report 86

3.5.2. Team Inspecting 87

3.5.3. Owner/Supervisor Inspecting 88

4. Following/Modifying Scope of Work 89

5. Common Daily Best Practices 90

5.1. Conduct Best Practices 90
5.2. Safety Best Practices 91
5.3. SDS Sheets 91
5.4. Checklists 91
5.5. Chemical Use 92
5.6. Safety Equipment 92
5.7. Safety Meeting Best Practices 93
6. Equipment Use & Maintenance Best Practices 94
6.1. Overview 94
6.2. Floor Machines 94
6.2.1. Floor Machine Options 94
6.3. Vacuum Cleaners 95
Terms and Acronyms **97**
1. Glossary of Terms 98
2. iNX Acronyms 111

~~**EXHIBIT J**~~

STATE-REQUIRED ADDENDA TO FDD AND ~~AMENDMENTS TO~~ FRANCHISE AGREEMENT

For Franchise Agreements that we enter into with a Franchisee for a Territory in the states listed below, applicable state law requires us to disclose additional information. Please refer to the separate state addendum pages in this Exhibit for the additional disclosures that may apply to you.

CALIFORNIA
HAWAII
ILLINOIS
INDIANA
MARYLAND
MICHIGAN (the same disclosures are located immediately before the FDD Table of Contents)
MINNESOTA
NEW YORK
NORTH DAKOTA
RHODE ISLAND
SOUTH DAKOTA
VIRGINIA
WASHINGTON
WISCONSIN

The following statement applies only to prospective franchisees who are residents of, or are entering a franchise agreement for a location in, the above-listed states:

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

CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

1. In addition to the information disclosed in Item 3:

Neither we nor any person identified 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 such persons from membership in such association or exchange.

2. In addition to the information disclosed in Item 17:

a. The Franchise Agreement requires application of the laws of California. This provision may not be enforceable under California law.

b. California Business and Professions Code Sections 20000 through 20043 addresses termination, transfer or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with this California law, California law will control.

c. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101, et seq.).

d. Section 31125 of the California Corporations Code requires us to give to you a disclosure document in a form containing the information that the Commissioner may by rule or order require before a solicitation of a proposed material modification of an existing franchise.

e. The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

f. 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.

g. The California Franchise Investment Law requires us to make the following disclosure:

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

(2) OUR WEBSITE IS WWW.TEAMINX.COM. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS

WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT WWW.DFPI.CA.GOV.

h. The Franchise Agreement limits the time period within which you must commence an action against us. This provision may not be enforceable under California law.

i. Where the Franchise Agreement refers to our right to impose the maximum rate of interest under applicable law for late payment, in California the maximum interest rate is 10% per year.

j. California has a labor law known as California Assembly Bill 5 or "AB5" that governs when someone is classified as an employee or an independent contractor. Your franchise agreement states that you are an independent contractor, but AB5 may mean you are an employee instead. Being an employee may entitle you to minimum wage, sick and family leave, unemployment and workers' compensation, expense reimbursements, protection from retaliation and discrimination, and other benefits given to employees. You should research and consult with an attorney regarding California's labor laws.

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

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

l.

STATE ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA

This **STATE ADDENDUM TO FRANCHISE AGREEMENT** ("State Addendum") is made and entered into on _____, _____ by and between iNX Building Maintenance Solutions, Inc., a California corporation ("Company") and _____ ("Franchisee"), subject to the following recitals:

R E C I T A L S

A. Franchisee is a resident of the State of California or a non-resident who is acquiring franchise rights permitting the location of an iNX franchise in the State of California.

B. We mutually desire to amend the Franchise Agreement in order to comply with the requirements of California law.

C. All capitalized terms in this State Addendum shall have the same meaning assigned to them in the Franchise Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. With respect to any provision contained in (a) the Franchise Agreement; (b) an amendment thereto; or (c) a related document required to be signed by Franchisee to obtain the franchise, if and to the extent that the provision constitutes a representation by you that is inconsistent with the requirements of the California Franchise Investment Law (California Corporations Code Sections 31000 through 31516), the provision will be deleted and will be of no force or effect.

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

4. Upon the termination or non-renewal of the Franchise Agreement, if we are required by Section 20022 of the California Business and Professions Code to purchase inventory, supplies, equipment, fixtures, and furnishings from you, we may offset any amounts you then owe us against the amount owed by us to you in connection with that purchase, provided that you agree to the amount you owe to us or we have obtained a final adjudication of the amount you owe to us.

5. This State Addendum shall be effective only to the extent that jurisdictional requirements of the Act are met independently of and without reference to this Amendment. This State Addendum shall have no effect if the jurisdictional requirements of the Act are not met.

6. The parties agree that the Franchise Agreement shall be enforced in accordance with its terms, subject, however, to the terms of this State Addendum.

IN WITNESS WHEREOF, the parties have executed this State Addendum on the date first above written.

COMPANY:	**FRANCHISEE:**
iNX Building Maintenance Solutions, Inc., a California corporation	**[NAME]**
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Its: _____	Its: _____

HAWAII ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

THIS FRANCHISE WILL BE/HAS 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 IN OUR FRANCHISE DISCLOSURE DOCUMENT 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 AFFILIATE AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE AFFILIATE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE AFFILIATE, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE FRANCHISE AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS THAT EACH OF US OWES TO THE OTHER.

1. Section 482E-(3) of Hawaii Revised Statutes provides that you may be entitled to certain compensation upon termination or refusal to renew the Franchise Agreement. To the extent this Section is applicable to you, you shall have an interest in the franchise upon termination or refusal to renew as specified therein.

2. No release language set forth in the Franchise Agreement shall relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising in the State of Hawaii.

ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The Attorney General of Illinois requires us to make the following specific disclosures to you:

1. The conditions under which the Franchise Agreement can be terminated and your rights upon non-renewal may be affected by Illinois Law 815 ILCS 705/19 and 705/20.

2. The Illinois Franchise Disclosure Act (815 ILCS Section 705/4) provides that "any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of this State [Illinois] is void provided that a franchise agreement may provide for arbitration in a forum outside of this State [Illinois]."

3. In Item 17, the summary accompanying provision (w) with regard to the Franchise Agreement is supplemented by the addition of the following language at the end of the summary: "Notwithstanding anything to the contrary contained above, Illinois law, including the Illinois Franchise Disclosure Act of 1987 (815 ILCS 705/1 et seq.), will apply to Illinois franchisees."

4. The provisions of the Illinois Franchise Disclosure Act of 1987 shall supersede any provision of the Franchise Agreement that conflicts with the Illinois Franchise Disclosure Act. As a result, Illinois law shall be applied to, and govern, any claim between the parties that alleges violation of the Act. In Item 17, the summary accompanying provision (w) with regard to the Franchise Agreement is supplemented by the addition of the following language at the end of the summary: "Notwithstanding anything to the contrary contained above, Illinois law, including the Illinois Franchise Disclosure Act of 1987 (815 ILCS Section 705/1 et seq.), will apply to Illinois franchisees."

5. In conformance with Section 41 of the Illinois Franchise Disclosure Act (815 ILCS Section 705/41), any condition, stipulation or provision purporting to waive compliance with the Act is void.

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

Illinois residents and non-residents that acquire a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Illinois will enter into the Illinois State Addendum to Franchise Agreement in the form attached to this Exhibit.

STATE ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS

This **STATE ADDENDUM TO FRANCHISE AGREEMENT** ("State Addendum") is made and entered into on _____, _____ by and between **INX BUILDING MAINTENANCE SOLUTIONS, INC.** ("**iNX**", "**we**", "**our**" or "**us**") and _____ ("**you**" or "**your**"), subject to the following recitals:

R E C I T A L S

A. You are a resident of the State of Illinois or a non-resident that is acquiring a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Illinois.

B. We mutually desire to amend the Franchise Agreement in order to comply with the requirements of Illinois law.

C. All capitalized terms in this State Addendum shall have the same meaning assigned to them in the Franchise Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by us, we agree as follows:

1. The above recitals are incorporated by us and made a part of this State Addendum.

2. The provisions of the Illinois Franchise Disclosure Act of 1987 (the "**Illinois Act**") shall supersede any provision of the Franchise Agreement that conflicts with the Illinois Act.

3. Among other things, we acknowledge Section 41 of the Illinois Act, which provides: "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. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code."

4. Illinois law shall be applied to, and govern, any claim that alleges a violation of the Illinois Act.

5. If the Franchise Agreement requires or permits litigation to be brought in a venue or forum outside of the State of Illinois, the provision shall not be effective for a Franchise Agreement entered into with an Illinois resident for a Franchised Business located in Illinois.

6. With respect to any provision contained in (a) the Franchise Agreement; (b) an amendment thereto; or (c) a related document required to be signed by Franchisee to obtain the franchise, if and to the extent that the provision constitutes a representation by Franchisee that is inconsistent with the requirements of the Illinois Act, the provision will be deleted and will be of no force or effect.

7. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii)

disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

8. This State Addendum shall be effective only to the extent that the jurisdictional requirements of the Illinois Act are met independently of and without reference to this State Addendum. This State Addendum shall have no effect if the jurisdictional requirements of the Illinois Act are not met.

9. The Franchise Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF, the parties have executed this State Addendum on the date first above written.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC.	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

INDIANA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The Indiana Securities Division requires the following specific disclosures to be made to prospective Indiana franchisees:

1. Indiana has a statute, the Indiana Deceptive Practices Act (the "**Indiana Act**"), which makes it unlawful for a franchise agreement with an Indiana resident or nonresident who will operate a franchise in Indiana to contain any of the following provisions:

a. Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where the goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or service or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute the improper designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute an improper designation. This paragraph does not apply to goods, supplies, inventories, or services that are manufactured or trademarked by, or for, the franchisor.

b. Allowing the franchisor to establish a franchisor-owned business that is substantially identical to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement, or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

c. Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

d. Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for and transmitted to the franchisee.

e. Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by Indiana law or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This paragraph does not apply to arbitration before an independent arbitrator.

f. Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers before the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this paragraph.

g. Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this paragraph includes any material violation of the franchise agreement.

h. Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This paragraph shall not prohibit a franchise agreement from providing that the agreement is not renewable meets certain conditions specified in the agreement.

i. Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three (3) years or in an area greater than the exclusive area granted by the franchise agreement or, in the absence of an exclusive area provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

j. Limiting litigation brought for breach of the agreement in any manner whatsoever.

k. Requiring the franchisee to participate in any (i) advertising campaign or contest; (ii) promotional campaigns; (iii) promotional materials; or (iv) display decorations or materials, in each case at any expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

l. Requiring a franchisee to enter into an agreement providing the franchisor with any indemnification for liability caused by the franchisee's proper reliance on or use of procedures or materials provided by the franchisor or by the franchisor's negligence.

m. Requiring a franchisee to enter into an agreement reserving the right to injunctive relief and any specific damages to the franchisor, limiting the remedies available to either party without benefit of appropriate process or recognizing the adequacy or inadequacy of any remedy under the agreement.

2. It is unlawful for any franchisor who has entered into any franchise agreement with a franchisee who is either a resident of Indiana or a nonresident operating a franchise in Indiana to engage in any of the following acts and practices in relation to the agreement:

a. Coercing the franchisee to:

(1) Order or accept delivery of any goods, supplies, inventories, or services which are neither necessary to the operation of the franchise, required by the franchise agreement, required by law, nor voluntarily ordered by the franchisee.

(2) Order or accept delivery of any goods offered for sale by the franchisee which includes modifications or accessories which are not included in the base price of those goods as publicly advertised by the franchisor.

(3) Participate in an advertising campaign or contest, any promotional campaign, promotional materials, display decorations, or materials at an expense to the franchisee over and above the maximum percentage of gross monthly sales or the maximum absolute sum required to be spent by the franchisee provided for in the franchise agreement; and absent a maximum expenditure provision in the franchise agreement, no such participation may be required; or

(4) Enter into any agreement with the franchisor or any designee of the franchisor, or do any other act prejudicial to the franchisee, by threatening to cancel or fail to renew any agreement between the franchisee and the franchisor. Notice in good faith to any franchisee of the franchisee's violation of the terms or provisions of a franchise or agreement does not constitute a violation of this paragraph.

b. Refusing or failing to deliver in reasonable quantities and within a reasonable time after receipt of an order from a franchisee for any goods, supplies, inventories, or services which the franchisor has agreed to supply to the franchisee, unless the failure is caused by acts or caused beyond the control of the franchisor.

c. Denying the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs, or estate maintains all standards and obligations of the franchise.

d. Establishing a franchisor-owned business that is substantially identical to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement, or if no exclusive territory is designated, competing unfairly with the franchisee within a reasonable area. However, a franchisor shall not be considered to be competing when operating a business either temporarily for a reasonable period of time, or in a bona fide retail operation which is for sale to any qualified independent person at a fair and reasonable price, or in a bona fide relationship in which an independent person has made a significant investment subject to loss in the business operation and can reasonably expect to acquire full ownership of such business on reasonable terms and conditions.

e. Discriminating unfairly among its franchisees or unreasonably failing or refusing to comply with any terms of a franchise agreement.

f. Obtaining money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for and transmitted to the franchisee.

g. Increasing prices of goods provided by the franchisor which the franchisee had ordered for retail consumers before the franchisee's receipt of a written official price increase notification. Price increases caused by conformity to a state or federal law, the revaluation of the United States dollar in the case of foreign-made goods or pursuant to the franchise agreement are not subject to this paragraph.

h. Using deceptive advertising or engaging in deceptive acts in connection with the franchise or the franchisor's business.

3. Regardless of anything set forth in the Franchise Agreement, you do not waive any right under Indiana statutes with regard to prior representations made in the Disclosure Document.

4. The Franchise Agreement is amended to provide that it will be governed and construed in accordance with the laws of the State of Indiana.

5. Any provision of the Franchise Agreement that is unlawful pursuant to the Indiana Act is deemed to be amended to the extent necessary to cause the Franchise Agreement to comply with the Indiana Act.

6. Indiana residents and non-residents that acquire a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Indiana will enter into the Indiana State Addendum to Franchise Agreement in the form attached to this Exhibit.

STATE ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF INDIANA

This **STATE ADDENDUM TO FRANCHISE AGREEMENT** ("State Addendum") is made and entered into on _____, _____ by and between **iNX BUILDING MAINTENANCE SOLUTIONS, INC. ("iNX", "we", "our" or "us")** and _____ ("**you**" or "**your**"), subject to the following recitals:

R E C I T A L S

A. You are a resident of the State of Indiana or a non-resident that is acquiring a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Indiana.

B. We mutually desire to amend the Franchise Agreement in order to comply with the requirements of Indiana law.

C. All capitalized terms in this State Addendum shall have the same meaning assigned to them in the Franchise Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by us, we agree as follows:

1. The above recitals are incorporated by us and made a part of this State Addendum.

2. We agree that to the extent any provision in the Franchise Agreement conflicts with the Indiana Deceptive Practices Act (the "**Indiana Act**"), we hereby amend the Franchise Agreement to the extent necessary to cause the Franchise Agreement to conform to the Indiana Act.

3. We agree that (i) no general release that you are required to give to us under the Franchise Agreement shall operate to release, assign, waive or extinguish any liability arising under the Indiana Act; (ii) no provision in the Franchise Agreement shall limit your right to sue in court for violations of the Indiana Act; (iii) no provision in the Franchise Agreement which is intended to prevent you from relying on any statement or representation made before you sign the Franchise Agreement shall be applied or extend to statements contained in the Disclosure Document delivered to you before you sign the Franchise Agreement; and (iv) no provision which is found to be a liquidated damages provision under Indiana law shall be enforceable against you.

4. Notwithstanding anything to the contrary contained in the Franchise Agreement, you shall have no duty to indemnify us for any liability that we may sustain as a result of your proper reliance on or use of any of the procedures or materials furnished by us or for liability solely attributable to our negligence.

5. With respect to any provision contained in (a) the Franchise Agreement; (b) an amendment thereto; or (c) a related document required to be signed by Franchisee to obtain the franchise, if and to the extent that the provision constitutes a representation by Franchisee that is inconsistent with the requirements of the Indiana Act, the provision will be deleted and will be of no force or effect.

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

7. This State Addendum shall be effective only to the extent that the jurisdictional requirements of the Indiana Act are met independently of and without reference to this State Addendum. This State Addendum shall have no effect if the jurisdictional requirements of the Indiana Act are not met.

8. The Franchise Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF, the parties have executed this State Addendum on the date first above written.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC.	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following provisions amend anything to the contrary in Item 17 of the Disclosure Document:

1. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law (the "**Maryland Law**") except for claims that the Franchise Agreement requires be submitted to arbitration.

2. Claims arising under the Maryland Law must be brought within 3 years after the grant of the franchise.

3. The provisions in the Franchise Agreement which provide for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

4. A general release that is required as a condition of renewal, sale and/or assignment/transfer of the franchise shall not apply to any liability under Maryland Law.

5. All representations requiring a prospective franchise 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 Law.

STATE ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND

This **STATE ADDENDUM TO FRANCHISE AGREEMENT** ("State Addendum") is made and entered into on _____, _____ by and between **iNX BUILDING MAINTENANCE SOLUTIONS, INC. ("iNX", "we**", "**our**" or "**us**") and _____ ("**you**" or "**your**"), subject to the following recitals:

R E C I T A L S

A. You are a resident of the State of Maryland or a non-resident that is acquiring a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Maryland.

B. We mutually desire to amend the Franchise Agreement in order to comply with the requirements of the Maryland Franchise Registration and Disclosure Law (the "**Maryland Law**").

C. All capitalized terms in this State Addendum shall have the same meaning assigned to them in the Franchise Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by us, we agree as follows:

1. The above recitals are incorporated by us and made a part of this State Addendum.

2. A general release that is required by the Franchise Agreement as a condition of renewal, sale and/or assignment/transfer of the franchise shall not apply to any liability under the Maryland Law.

3. All representations requiring a prospective franchisee to assent to a release, estoppel or waiver of any liability are not intended to, nor shall they act as, a release, estoppel or waiver of any liability uncured under the Maryland Law.

4. You may bring a lawsuit in Maryland for claims arising under the Maryland Law notwithstanding the Franchise Agreement's designation of a California venue for dispute resolution.

5. We amend any statute of limitations period in the Franchise Agreement to provide that any claims arising under the Maryland Law must be brought within 3 years after the Effective Date of the Franchise Agreement.

6. With respect to any provision contained in (a) the Franchise Agreement; (b) an amendment thereto; or (c) a related document required to be signed by Franchisee to obtain the franchise, if and to the extent that the provision constitutes a representation by Franchisee that is inconsistent with the requirements of the Maryland Law, the provision will be deleted and will be of no force or effect.

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

8. This State Addendum shall be effective only to the extent that the jurisdictional requirements of the Maryland Law are met independently of and without reference to this State Addendum. This State Addendum shall have no effect if the jurisdictional requirements of the Maryland Law are not met.

9. The Franchise Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF, the parties have executed this State Addendum on the date first above written.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC.	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

DISCLOSURES REQUIRED BY MICHIGAN LAW

The State of Michigan requires each franchisor to include the following notice in offering circulars distributed in connection with Michigan franchise sales:

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 will 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 before the expiration of its term except for good cause. Good cause will 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 of it and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

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

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

(f) A provision requiring that arbitration or litigation be conducted outside this state. This will 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 will include, but is not limited to:

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

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

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

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

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

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

The fact that there is a notice of this franchise disclosure document 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:

Michigan Department of Attorney General
Consumer Protection Division
Attn: Franchise Section
525 W. Ottawa Street, Sixth Floor
Lansing, Michigan 48933
Telephone (517) 373-7117

MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

For Minnesota residents and nonresidents acquiring a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Minnesota, the applicable sections of the Disclosure Document are amended to reflect the following wherever appropriate:

1. We will not refuse to renew the Franchise Agreement in order to convert your Franchised Business to an operation that will be owned by us or one of our affiliates.

2. Minn. Stat. Sec. 80C.21 declares void any condition, stipulation or provision purporting to bind a person to waive compliance with the Minnesota franchise law (Minn. Stat. sections 80C.01 to 80C.22 and the rules promulgated thereunder (the "**Minnesota Act**")). To the extent that any of the contracts that you sign with us contain a general release, or require you to sign a general release at a later date, in favor of us or our affiliates, the general release will not operate to extinguish claims arising under, or relieve any person from liability imposed by, the Minnesota Act.

3. The Minnesota Act protects your right to require that the venue of any dispute not subject to binding arbitration be in Minnesota and that Minnesota law govern all contracts with us. It furthermore protects your right to a jury trial. To the extent any contract that you sign with us is inconsistent with the Minnesota Act, the contract shall be modified to conform to the Minnesota Act.

4. If any contract that you sign with us contains procedures for terminating the contract that are inconsistent with the Minnesota Act, the contract shall be modified to add the following:

> "Provided, however, with respect to franchises governed by Minnesota law, iNX agrees to comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which, as of the date of this Agreement, require, except in certain specified cases enumerated in the referenced statute, that we give you a minimum of 90 days' notice of termination (with a minimum of 60 days to cure) and a minimum of 180 days' notice for non-renewal of the Franchise Agreement."

5. If any contract that you sign with us requires you to consent to our obtaining injunctive relief, the contract shall be amended to provide that, pursuant to Minn. Rule 2860.4400J, you cannot give such advance consent; provided, however, nothing shall prevent us from applying to a venue or forum for injunctive relief.

6. If any contract that you sign with us contains a limitations period for bringing claims against us which is shorter than the limitations period provided under the Minnesota Act, the contract shall be modified to conform to the Minnesota Act.

7. The Minnesota Act requires us to indemnify you from any loss, costs or expenses that you might incur arising out of a third party challenge to your authorized use of the iNX System. Minn. Stat. Sec. 80C.12, Subd. 1(g) considers it unfair for a franchisor not to protect a franchisee's right to use the licensed marks.

8. Minnesota residents and nonresidents that acquire a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Minnesota will enter into the Minnesota State Addendum to Franchise Agreement in the form attached to this Exhibit.

STATE ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA

This **STATE ADDENDUM TO FRANCHISE AGREEMENT** ("State Addendum") is made and entered into on _____, _____ by and between **iNX BUILDING MAINTENANCE SOLUTIONS, INC. ("iNX", "we**", "**our**" or "**us**") and _____ ("**you**" or "**your**"), subject to the following recitals:

R E C I T A L S

A. You are a resident of the State of Minnesota or a non-resident that is acquiring a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Minnesota.

B. We mutually desire to amend the Franchise Agreement in order to comply with the requirements of Minnesota law.

C. All capitalized terms in this State Addendum shall have the same meaning assigned to them in the Franchise Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by us, we agree as follows:

1. The above recitals are incorporated by us and made a part of this State Addendum.

2. We agree that any provision in the Franchise Agreement that requires you to provide us with a general release in violation of the Minnesota Act is illegal and of no force or effect.

3. The Franchise Agreement provisions that require venue in a state other than Minnesota for the resolution of disputes, declares that the laws of a state other than Minnesota shall govern the Franchise Agreement, or requires you to waive your right to a jury trial, the applicable provision shall be amended to add the following:

> "Pursuant to Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, nothing in this Agreement shall in any way abrogate or reduce your rights under Minnesota Statutes, Chapter 80C, or require you to waive his or her right to a jury trial, or require you to waive any other rights to any procedure, forum or remedies provided for by Minnesota law."

4. We agree that if any provision in the Franchise Agreement contains procedures for terminating the Franchise Agreement which are inconsistent with the Minnesota Act, the applicable provision shall be amended to add the following:

> "Provided, however, with respect to franchises governed by Minnesota law, we agree to comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which, as of the date of this Agreement, require, except in certain specified cases, that we give you a minimum of 90 days' notice of termination (with a minimum of 60 days to cure) and a minimum of 180 days' notice for non-renewal of the Franchise Agreement."

5. We agree that any provision in the Franchise Agreement that requires you to consent to our obtaining injunctive relief is hereby modified to provide that, pursuant to Minn. Rule 2860.4400J, you cannot give such consent in advance; provided, however, this provision shall not operate to prevent us from applying to a court for injunctive relief.

6. Notwithstanding anything to the contrary in the Franchise Agreement, we agree to defend and indemnify you against liability or claims in connection with your authorized use of the iNX System. You shall not be responsible for the costs of any litigation to protect or defend the iNX System unless your unauthorized use of the iNX System is the proximate cause of the litigation.

7. If any provision in the Franchise Agreement contains a limitations period for bringing claims against us which is shorter than the limitations period provided under the Minnesota Act, the applicable provision is amended to conform to the Minnesota Act.

8. With respect to any provision contained in (a) the Franchise Agreement; (b) an amendment thereto; or (c) a related document required to be signed by Franchisee to obtain the franchise, if and to the extent that the provision constitutes a representation by Franchisee that is inconsistent with the requirements of the Minnesota Act, the provision will be deleted and will be of no force or effect.

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

10. This State Addendum shall be effective only to the extent that the jurisdictional requirements of the Minnesota Act are met independently of and without reference to this State Addendum. This State Addendum shall have no effect if the jurisdictional requirements of the Minnesota Act are not met.

11. The Franchise Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF, the parties have executed this State Addendum on the date first above written.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC.	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following information is required by New York's General Business Law (NY Gen. Bus. §680 et seq.) (Consol. 2001) ("**New York Franchise Law")** and supplements the information in this Disclosure Document:

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

1. Item 3 is supplemented by the following language which is added to the end of the Item:

Except as otherwise provided in Item 3, neither we, nor any predecessor, nor our Parent, nor any person listed in Item 2 of this Disclosure Document, nor any affiliate offering franchises under iNX's principal trademark:

a. Has an administrative, criminal or civil action pending against that person alleging any of the following: 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. In addition, include pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

b. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

c. Is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

2. In Item 4 is supplemented by the following language which is added to the end of the Item:

Except as disclosed above, neither we nor any affiliate of ours, nor any predecessor, nor any officer of ours has during the 10-year period immediately before the issuance date of this Disclosure Document: (a) filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the Franchisor held this position in the company or partnership.

3. We deposit the Initial Franchise Fees paid by Franchisees into our general funds. This money is unrestricted and may be used for any purpose that we believe is appropriate.

4. In addition to the information disclosed in Item 17, to the extent required by applicable law, all rights you enjoy and any causes of action arising in 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 Section 687(4) and 687(5) are satisfied.

5. In Item 17, the summary accompanying provision (d) with regard to the Franchise Agreement is supplemented by the addition of the following language:

You may terminate the Franchise Agreement on any grounds available by law.

6. In Item 17, the summary accompanying provision (j) with regard to the Franchise Agreement is supplemented by the addition of the following language at the end of the summary:

> However, no assignment will be made except to an assignee who in the good faith judgment of iNX is willing and financially able to assume our obligations under the Franchise Agreement.

7. In Item 17, the summary accompanying provision (w) with regard to the Franchise Agreement is supplemented by the addition of the following language at the end of the summary:

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

8. Revisions to the Brand Guidelines will not unreasonably increase your obligations or place an excessive economic burden on your operations.

9. The New York Franchise Law makes it unlawful for a franchisor to require a franchisee to assent to a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by the New York Franchise Law.

10. The provisions in this State Addendum are effective only to the extent that the jurisdictional requirements of the New York Franchise Law are met independent of and without reference to this State Addendum. This State Addendum will have no effect if the jurisdictional requirements of the New York Franchise Law are not met.

NORTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

North Dakota residents and non-residents who acquire a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of North Dakota will enter into the North Dakota State Addendum to Franchise Agreement in the form attached to this Exhibit.

STATE ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA

This **STATE ADDENDUM TO FRANCHISE AGREEMENT** ("State Addendum") is made and entered into on _____, _____ by and between **iNX BUILDING MAINTENANCE SOLUTIONS, INC. ("iNX", "we", "our" or "us")** and _____ ("**you**" or "**your**"), subject to the following recitals:

R E C I T A L S

A. You are a resident of the State of North Dakota or a non-resident that is acquiring a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of North Dakota.

B. We mutually desire to amend the Franchise Agreement in order to comply with the requirements of North Dakota law.

C. All capitalized terms in this State Addendum shall have the same meaning assigned to them in the Franchise Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by us, we agree as follows:

1. The above recitals are incorporated by us and made a part of this State Addendum.

2. The North Dakota Franchise Investment Law (the "**North Dakota Law**") identifies certain practices as being unfair, unjust, or inequitable to franchisees. We agree to amend the Franchise Agreement as follows in order to comply with the requirements of the North Dakota Law:

a. To the extent that the covenants in the Franchise Agreement pertaining to a Competitive Business restrict competition in a manner contrary to the North Dakota Century Code Section 9-08-06, they may not be enforceable. A covenant not to compete that applies after the Franchise Agreement ends for any reason may be unenforceable in the State of North Dakota.

b. Any provision requiring you to agree to mediate or arbitrate a dispute with us in a location outside of North Dakota is not enforceable. Any mediation or arbitration proceeding must be conducted at a mutually acceptable location in North Dakota.

c. Any provision that requires you to consent to the jurisdiction of courts outside of North Dakota is not enforceable. If we file a court proceeding against you, we agree to submit it to the courts located in North Dakota with the understanding, however, that we may apply to any court with jurisdiction for equitable or interim relief.

d. The Franchise Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota to the extent required by the North Dakota Law.

e. Any provision in the Franchise Agreement that requires you to waive the right to a jury trial or the right to collect exemplary or punitive damages is not enforceable under the North Dakota Law.

f. Any provision in the Franchise Agreement that requires you to pay all of our costs and expenses to enforce the Franchise Agreement is not enforceable. However, the Franchise Agreement provision that awards attorney's fees to the prevailing party is enforceable.

g. Any provision in the Franchise Agreement that requires you to consent to a limitations of claims is not enforceable and the statute of limitations under the North Dakota Law shall apply to claims arising under the Franchise Agreement.

h. Any provision in the Franchise Agreement that requires you to provide us with a general release in violation of the North Dakota Law will not apply to you. However, you acknowledge that the Franchise Agreement requires you to execute a mutual general release, not a general release.

i. Any provision in the Franchise Agreement that requires you to consent to liquidated damages or termination penalties is not enforceable.

3. With respect to any provision contained in (a) the Franchise Agreement; (b) an amendment thereto; or (c) a related document required to be signed by Franchisee to obtain the franchise, if and to the extent that the provision constitutes a representation by Franchisee that is inconsistent with the requirements of the North Dakota Law, the provision will be deleted and will be of no force or effect.

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

5. This State Addendum shall be effective only to the extent that the jurisdictional requirements of the North Dakota Law are met independently of and without reference to this State Addendum. This State Addendum shall have no effect if the jurisdictional requirements of the North Dakota Law are not met.

6. The Franchise Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF, the parties have executed this State Addendum on the date first above written.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC.	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

RHODE ISLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

Under Section 19-28.1-14 of the Rhode Island Franchise Investment Act, a provision in a franchise agreement restricting jurisdiction or venue for litigation to a venue or forum outside of Rhode Island or requiring the application of the laws of another state is void with respect to an otherwise enforceable claim that is not subject to binding arbitration.

Rhode Island residents and non-residents that acquire a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Rhode Island will enter into the Rhode Island State Addendum to Franchise Agreement in the form attached to this Exhibit.

STATE ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND

This **STATE ADDENDUM TO FRANCHISE AGREEMENT** ("State Addendum") is made and entered into on _____, _____ by and between **iNX BUILDING MAINTENANCE SOLUTIONS, INC. (**"**iNX**"**,** "**we**", "**our**" or "**us**") and _____ ("**you**" or "**your**"), subject to the following recitals:

R E C I T A L S

A. You are a resident of the State of Rhode Island or a non-resident that is acquiring a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Rhode Island.

B. We mutually desire to amend the Franchise Agreement in order to comply with the requirements of Rhode Island law.

C. All capitalized terms in this State Addendum shall have the same meaning assigned to them in the Franchise Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by us, we agree as follows:

1. The above recitals are incorporated by us and made a part of this State Addendum.

2. The Rhode Island Franchise Investment Act (the "**Rhode Island Act**") at Section 19-28.1-14 provides that "a provision in a franchise agreement restricting jurisdiction or venue for litigation to a forum outside of this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." We agree that to the extent that any provision in the Franchise Agreement is inconsistent with the Rhode Island Act, the provisions of the Rhode Island Act shall control. This provision shall not modify our agreement that mediation required by the Franchise Agreement shall be conducted at our headquarters at the time that a party initiates the mediation unless we mutually agree to another location.

3. Rhode Island law shall be applied to, and govern, any claim that alleges violation of the Rhode Island Act.

4. With respect to any provision contained in (a) the Franchise Agreement; (b) an amendment thereto; or (c) a related document required to be signed by Franchisee to obtain the franchise, if and to the extent that the provision constitutes a representation by Franchisee that is inconsistent with the requirements of the Act, the provision will be deleted and will be of no force or effect.

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

6. This State Addendum shall be effective only to the extent that the jurisdictional requirements of the Rhode Island Act are met independently of and without reference to this State Addendum. This State Addendum shall have no effect if the jurisdictional requirements of the Rhode Island Act are not met.

7. The Franchise Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF, the parties have executed this State Addendum on the date first above written.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC.	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SOUTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following information is required by South Dakota's Franchises for Brand-Name Goods and Services Law (S.D. Codified Laws §37-5B (2008)) ("**South Dakota Law**") and supplements the information in this Disclosure Document:

1. Item 17 is supplemented by the addition of the following language immediately after the table:

> Despite anything to the contrary in the table, the law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota. Any non-binding mediation will be conducted at a mutually agreed upon site. You are not required to submit to venue or a forum outside the State of South Dakota for any claims you may have under the South Dakota Franchises for Brand-Name Goods and Services Law (S.D. Codified Laws §37-5B (2008)).

2. This State Addendum is effective only to the extent that the jurisdictional requirements of the South Dakota Law are met independent of and without reference to this State Addendum. This State Addendum will have no effect if the jurisdictional requirements of the South Dakota Law are not met.

STATE ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF SOUTH DAKOTA

This **STATE ADDENDUM TO FRANCHISE AGREEMENT** ("State Addendum") is made and entered into on _____, _____ by and between **iNX BUILDING MAINTENANCE SOLUTIONS, INC. ("iNX", "we**", "**our**" or "**us**") and _____ ("**you**" or "**your**"), subject to the following recitals:

R E C I T A L S

A. You are a resident of the State of South Dakota or a non-resident that is acquiring a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of South Dakota.

B. We mutually desire to amend the Franchise Agreement in order to comply with the requirements of South Dakota law.

C. All capitalized terms in this State Addendum shall have the same meaning assigned to them in the Franchise Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by us, we agree as follows:

1. The above recitals are incorporated by us and made a part of this State Addendum.

2. We mutually acknowledge and agree that:

a. Notwithstanding anything to the contrary in the Franchise Agreement, the law regarding franchise registration, employment, covenants not to compete, and other matters of local concern shall be governed by the laws of the State of South Dakota.

b. You are not be required to submit to a venue or forum outside of the State of South Dakota for any claims that you may have against us under the South Dakota Franchises for Brand-Name Goods and Services Law ("**South Dakota Law**").

3. With respect to any provision contained in (a) the Franchise Agreement; (b) an amendment thereto; or (c) a related document required to be signed by Franchisee to obtain the franchise, if and to the extent that the provision constitutes a representation by Franchisee that is inconsistent with the requirements of the South Dakota Law, the provision will be deleted and will be of no force or effect.

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

5. This State Addendum is effective only to the extent that the jurisdictional requirements of the South Dakota Law are met independent of and without reference to this State Addendum. This State Addendum will have no effect if the jurisdictional requirements of the South Dakota Law are not met.

6. The Franchise Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF, the parties have executed this State Addendum on the date first above written.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC.	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

Any provision in the Franchise Agreement that provides for termination of the Franchise Agreement if you file for bankruptcy protection or are declared a bankrupt may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et seq.).

Additional Disclosures. The following statements are added to the information that we disclose in Item 17:

1. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

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

WASHINGTON ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement provisions pertaining to, among other subjects, the areas of termination and renewal of your license. There may also be court decisions that may supersede the provisions of the Franchise Agreement.

2. To the extent that the applicable governing law stipulated in the Franchise Agreement conflicts with the Washington Franchise Investment Protection Act (the "**Washington Act**"), the provisions of the Washington Act shall control.

3. 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 Act, in Washington.

4. ~~3.~~ A release or waiver of rights executed by a franchisee ~~who is a resident of Washington or who is a nonresident of Washington but operates a franchise in Washington shall~~may not include rights ~~that arise~~ under the ~~Washington~~ Act~~,~~ or any rule or order thereunder except when ~~the release or waiver is~~ executed pursuant to a negotiated settlement after the agreement ~~provided each party~~ is in effect and where the parties are represented by independent counsel ~~in the settlement negotiations~~. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims ~~arising~~ under the ~~Washington~~ Act ~~or which reduce~~, or ~~limit your~~ rights or remedies under the ~~Washington~~ Act~~,~~ such as ~~the~~a right to a jury trial, may not be enforceable ~~under the Washington Act~~.

5. ~~4.~~ Under the Washington Act, transfer fees are ~~collectible~~collectable to the extent that they reflect ~~our~~the franchisor's reasonable estimated or actual costs in effecting a transfer.

~~5. The Franchise Agreement requires that all disputes (with limited exceptions) be resolved first by non-binding mediation, and if that process does not result in resolution, by litigation exclusively in the federal or state courts located closest to iNX's headquarters at the time the complaint is filed. In the Franchise Agreement, the parties further acknowledge that iNX may relocate its headquarters in its sole discretion at any time without notice to Franchisee. Franchisee gives its advance consent to submit to the personal jurisdiction of the state and federal courts located closest to iNX's headquarters at the time a dispute arises. The parties mutually acknowledge that selecting a forum in which to resolve disputes arising between them is important to promote stability in their relationship and therefore both parties intend to be bound by their agreement to submit to the personal jurisdiction of the courts selected by them. However, if iNX's headquarters are not in Washington, an out-of-state venue provision may not be enforceable under Washington law.~~

6. ~~Washington residents and non-residents that acquire a license to operate a Franchised Business under the iNX System in a Territory in the State of Washington will enter into the Washington State Addendum to Franchise Agreement in the form attached to this Exhibit.~~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.

7. 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.

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

STATE ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF WASHINGTON

This **STATE ADDENDUM TO FRANCHISE AGREEMENT** ("State Addendum") is made and entered into on _____, _____ by and between **iNX BUILDING MAINTENANCE SOLUTIONS, INC. ("iNX", "we", "our" or "us") and _____ ("you" or "your"),** subject to the following recitals:

R E C I T A L S

A. You are a resident of the State of Washington or a non-resident that is acquiring a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Washington.

B. We mutually desire to amend the Franchise Agreement in order to comply with the requirements of Washington law.

C. All capitalized terms in this State Addendum shall have the same meaning assigned to them in the Franchise Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by us, we agree as follows:

1. The above recitals are incorporated by us and made a part of this State Addendum.

2. We mutually acknowledge and agree that:

a. To the extent that any provision in the Franchise Agreement is inconsistent with the Washington Franchise Investment Protection Act (the "**Washington Act**"), the provisions of the Washington Act shall control.

b. To the extent that the governing law provided of the Franchise Agreement is inconsistent with the Washington Act, the provisions of the Washington Act shall control.

c. ~~Any~~A release or waiver of rights ~~that you may execute with us~~executed by a franchisee may not include ~~a release or waiver of~~ rights ~~arising~~ under the Washington Act ~~unless the release or waiver of rights is entered into~~or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and ~~each of us is~~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 Washington Act, or rights or remedies under the Washington Act such as a right to a jury trial, may not be enforceable.

d. The Franchise Agreement does not require you to pay us a transfer fee as a condition to obtaining our consent to a proposed transfer or assignment of the Franchise Agreement. However, if we were to impose a transfer fee, the Washington Act limits the amount that we may charge to our reasonable estimated or actual costs in approving and processing a request for consent to complete an assignment or transfer.

e. 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.

f. ~~e.~~ To the extent that any provision in the Franchise Agreement is found to unreasonably restrict or limit the statute of limitations period for claims under the Washington Act or your rights or remedies under the Washington Act, such as a right to a jury trial, the provision may not be enforceable.

3. With respect to any provision contained in (a) the Franchise Agreement; (b) an amendment thereto; or (c) a related document required to be signed by Franchisee to obtain the franchise, if and to the extent that the provision constitutes a representation by Franchisee that is inconsistent with the requirements of the Washington Act, the provision will be deleted and will be of no force or effect.

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

5. This State Addendum shall be effective only to the extent that the jurisdictional requirements of the Washington Act are met independently of and without reference to this State Addendum. This State Addendum shall have no effect if the jurisdictional requirements of the Washington Act are not met.

6. The Franchise Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF, the parties have executed this State Addendum on the date first above written.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC.	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

WISCONSIN ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The Wisconsin Fair Dealership Law ("**Wisconsin Law**") applies to most, if not all franchise agreements and prohibits the termination, cancellation, nonrenewal or substantial change of the competitive circumstances of a dealership agreement without good cause. The Wisconsin Law further provides that at least 90 days prior written notice of the proposed termination, cancellation, nonrenewal or substantial change must be given to the "dealer" as that term is defined by the Wisconsin Law. The Wisconsin Law gives the dealer 60 days to cure the deficiency and, if the deficiency is timely cured, the notice is void. The Wisconsin Law may supersede and control the terms of our relationship under the Franchise Agreement with respect to these subject matters. To the extent that any provision of the Franchise Agreement pertaining to your license is inconsistent with the Wisconsin Law, the Wisconsin Law will control.

Wisconsin residents and non-residents that acquire a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Wisconsin will enter into the Wisconsin State Addendum to Franchise Agreement in the form attached to this Exhibit.

STATE ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF WISCONSIN

This **STATE ADDENDUM TO FRANCHISE AGREEMENT** ("State Addendum") is made and entered into on _____, _____ by and between **iNX BUILDING MAINTENANCE SOLUTIONS, INC. ("iNX", "we", "our" or "us") and _____ ("you" or "your"),** subject to the following recitals:

R E C I T A L S

A. You are a resident of the State of Wisconsin or a non-resident that is acquiring a license to operate a Franchised Business under the iNX System in a designated geographic area in the State of Wisconsin.

B. We mutually desire to amend the Franchise Agreement in order to comply with the requirements of Wisconsin law.

C. All capitalized terms in this State Addendum shall have the same meaning assigned to them in the Franchise Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by us, we agree as follows:

1. The above recitals are incorporated by us and made a part of this State Addendum.

2. The Wisconsin Fair Dealership Law, Wis. Stats. Ch. 135, Sec. 32.06 et seq. (the "**Wisconsin Law**"), provides certain rights to dealers, which extend to franchisees. In particular, and without limitation, the Wisconsin Law prohibits the termination, cancellation, nonrenewal or substantial change of competitive circumstances (as defined by the Wisconsin Law and by case law) of a dealership or franchise agreement without good cause. The Wisconsin Law further provides that 90 days prior written notice of the proposed termination, cancellation, nonrenewal or substantial change of competitive circumstances must be given to the dealer. The Wisconsin Law allows the dealer 60 days to cure the deficiency and if the deficiency is cured, the notice is void. To the extent that the Wisconsin Law conflicts with any provision of the Franchise Agreement, the provisions of the Wisconsin Law shall control.

3. With respect to any provision contained in (a) the Franchise Agreement; (b) an amendment thereto; or (c) a related document required to be signed by Franchisee to obtain the franchise, if and to the extent that the provision constitutes a representation by Franchisee that is inconsistent with the requirements of the Wisconsin Law, the provision will be deleted and will be of no force or effect.

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

5. This State Addendum shall be effective only to the extent that the jurisdictional requirements of the Wisconsin Law are met independently of and without reference to this State

Addendum. This State Addendum shall have no effect if the jurisdictional requirements of the Wisconsin Law are not met.

6. The Franchise Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF, the parties have executed this State Addendum on the date first above written.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC.	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT ~~K~~

~~[INTENTIONALLY OMITTED]~~E

PROMISSORY NOTE

PROMISSORY NOTE ("Note")

Date: _____ $_____ [principal amount of Note]

FOR VALUE RECEIVED, the undersigned, _____, a _____ [*add name of Franchisee Business Entity and state of organization/formation*], which is the party that is identified as "**Franchisee**" in that certain Franchise Agreement dated _____ ("Agreement") entered into with iNX BUILDING MAINTENANCE SOLUTIONS, INC., a California corporation ("iNX"), promises to pay to iNX or to its order the principal amount stated above and on **Schedule A** together with interest thereon at the per annum rate shown on **Schedule A**, in the number of installments shown on **Schedule A**, with the first payment due and payable on or before the date shown on **Schedule A** and thereafter on or before the first date of each calendar month in the amounts shown on the amortization Schedule on **Schedule A**.

Payments. Franchisee must make payments in lawful money of the United States of America and in immediately available funds. Computations of interest will be based on a year of 360 days but will be calculated for the actual number of days in the period for which interest is charged.

All payments under this Note will be made to iNX at 1001 Wilshire Blvd, #1430, Los Angeles, CA 90017, or at any other address that iNX instructs Franchisee to use in writing. iNX is entitled to deduct Franchisee's monthly payments, in whole or in part, from payments received from Franchisee's customers.

This Note may be prepaid in whole or in part, without penalty, at the option of Franchisee and without the consent of iNX. All payments will be applied first to accrued and unpaid interest and then to the principal balance outstanding.

Security. Payment of this Note is secured by the security agreement in the Franchise Agreement. As additional security for repayment, each of Franchisee's Owners has executed a Personal Guaranty in favor of iNX.

Event of Default. Each of the following is an event of default ("Event of Default") under this Note: (i) iNX fails to receive any payment within 5 days after the date payment is due; (ii) Franchisee makes a material misrepresentation or omission to induce iNX to make this loan to Franchisee; (iii) Franchisee breaches any of its obligations under the Franchise Agreement; or (iv) the Franchise Agreement is terminated for any reason.

Remedies for an Event of Default. If an Event of Default occurs, iNX may at its option, by written notice to Franchisee, declare the entire principal balance of this Note, together with all accrued interest, immediately due and payable and exercise any other rights and remedies provided under applicable law. An Event of Default shall constitute a default under the Franchise Agreement and grounds permitting iNX to terminate the Franchise Agreement. If an Event of Default occurs, Franchisee agree to pay all reasonable attorney's fees and costs of collection whether or not iNX files a formal action to the fullest extent permitted by applicable law.

Dispute Resolution. This Note will be governed by the laws of the State of California excluding its conflict of law rules. The exclusive jurisdiction and venue of any legal action instituted by any party to this Note will be the County of Los Angeles, California.

The prevailing party in any action (i) to collect payment on this Note, (ii) in any dispute that arises as to its enforcement, validity, or interpretation, whether or not legal action is instituted or prosecuted to judgment, or (iii) to enforce any judgment obtained in any related legal proceeding, will be entitled to all costs and expenses incurred including its attorney fees.

Additional Provisions. Time is of the essence of this Note. Franchisee hereby waives demand for payment, presentment for payment, protest, notice of nonpayment or dishonor, and any and all other notices and demands that may be provided for under applicable law. The terms of this Note may not be waived, modified or amended except by an instrument in writing signed by both Franchisee and iNX. iNX's failure to exercise or delay in exercising any right or remedy under this Note or applicable law shall operate as a waiver. iNX's rights and remedies under this Note are cumulative and not exclusive of any rights, remedies, powers or privileges provided by applicable law. The terms of Schedule A are incorporated into and part of this Note.

Assignment. iNX may assign and transfer this Note to any person or entity without prior notice to or consent of Franchisee. Franchisee may not assign or delegate its obligations under this Note under any circumstance.

NAME OF FRANCHISEE (PRINT): _____

BY: _____

ITS: _____

_____

Print name of person signing on behalf of Franchisee

SCHEDULE A TO NOTE

Principal Amount: $_____
Interest Rate Per Annum: _____%
First Payment Date: _____
Monthly Installment Amount: _____
Maturity Date: _____

EXHIBIT F

GENERAL RELEASE

GENERAL RELEASE

This GENERAL RELEASE **("Release")** is made as of _____, _____ ("**Release Effective Date**") by _____ ("**Franchisee**") in favor of iNX Building Maintenance Solutions, Inc., a California corporation ("**iNX**"), with reference to the following facts:

A. iNX and Franchisee are parties to a Franchise Agreement dated _____, _____ ("**Franchise Agreement**"), pursuant to which iNX has awarded Franchisee a license to operate an iNX commercial facility maintenance business.

B. Franchisee is executing this Release pursuant to the requirements of the Franchise Agreement.

NOW, THEREFORE, Franchisee agree as follows:

1. RELEASE

1.1 Released Claims.

1.1.1 Except for the obligations created by this Release, Franchisee, for itself and its corporate affiliates, successors, and assigns, and their respective officers, directors, owners, members, managers, employees, insurers, agents, representatives and attorneys, and all persons acting by and through them (collectively, the "**Franchisee Parties**"), hereby irrevocably and unconditionally releases and forever discharges iNX and its corporate affiliates, successors, and assigns, and their respective officers, directors, owners, members, managers, employees, insurers, agents, representatives and attorneys, and all persons acting by and through them (collectively, the "**iNX Parties**") from and against any and all claims, debts, promises, agreements, demands, causes of action, attorneys' fees, losses and expenses, whether known or unknown, suspected or unsuspected, filed or unfiled (collectively, "**Claims**"), arising out of any act, omission, or other fact or matter occurring or existing on or before the Release Effective Date, including any Claims arising out of or in connection with the Franchise Agreement.

1.1.2 Franchisee (on behalf of the Franchisee Parties) acknowledges and understands that there is a risk that subsequent to the execution of this Release, Franchisee may discover facts or Claims that were unknown or unanticipated at the time of the execution of this Release and which, if known on the date of the execution of this Release, might have materially affected its decision to enter into and execute this Release. By its signature, Franchisee accepts and assumes the risk of such unknown facts or Claims.

1.2 **Waiver of Civil Code Section 1542**. Franchisee intends for this Release to be a full and unconditional general release and final accord and satisfaction extending to all Claims. . Franchisee (on behalf of the Franchisee Parties) expressly waives the benefits of Section 1542 of the California Civil Code, and any other similar statute or case law authority of the United States, of any State, territory or possession of the United States, and of any foreign country. Section 1542 reads 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.

2. OTHER PROVISIONS

2.1 **Confidentiality**. The terms of this Release are confidential and neither party may disclose the terms of this Release to any third party, except to the extent necessary for a party to comply with (i) a statutory duty; or (ii) the order of a court of law.

2.2 **Definitions; Construction**. Any capitalized terms not defined in this Release shall have the meaning given to them in the Franchise Agreement and the parties incorporate these definitions into this Release. The words "includes" and "including" and words of similar effect will not be deemed to limit the general effect of the words that precede them. The language in this Release shall not be presumptively construed either in favor of or against either party. The headings within this Release are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Release.

2.3 **Binding on Successors**. The provisions of this Release shall inure to the benefit of, and shall be binding upon, the heirs, administrators, assigns and successors-in-interest of each of the parties.

2.4 **Integration**. This Release is entered into pursuant to the terms of the Franchise Agreement and constitutes an integration of the entire understanding and agreement of the parties with respect to its subject matter. Any representations, warranties, promises or conditions, whether written or oral, not specifically and expressly incorporated in this Release, shall not be binding on any of the parties. Each party acknowledges that, in entering into this Release, it has not relied on any representations, warranty, promise or condition not specifically and expressly set forth in this Release. All prior discussions and writings have been, and are, merged and integrated into, and are superseded by, this Release.

2.5 **Authority to Execute; No Assignment**. The individual executing this Release for Franchisee represents and warrants that they are unconditionally authorized to execute this Release on behalf of Franchisee and the Franchisee Parties. Franchisee represents and warrants that it has not previously assigned any of the Claims released above.

2.6 **Counterparts**. This Release may be executed in counterparts, each of which, when executed, shall be deemed an original, but all of which counterparts together shall constitute one and the same instrument. Signatures transmitted by facsimile or electronically shall be deemed originals.

2.7 **Dispute Resolution**. Any dispute arising out of or pertaining to this Release shall be resolved pursuant to the dispute resolution provisions in the Franchise Agreement and the parties incorporate the dispute resolution provisions in the Franchise Agreement by this reference.

2.8 **Further Assurances**. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Release.

IN WITNESS WHEREOF, the parties have entered into this Release as of the Release Effective Date.

iNX:	Franchisee:
iNX BUILDING MAINTENANCE SOLUTIONS, INC., a California corporation	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
_____	_____

EXHIBIT G

CURRENT FRANCHISEES

CURRENT FRANCHISEES

Christian Berrocal
First Choice Maintenance
4223 West 63rd St.
Los Angeles, CA 90043
(310) 266 7868

Roman Haus
Executive Building Solutions Inc.
537 Cinderella Drive
Claremont, CA 91711
(909) 964-5662

Cabreras Cleaning Solutions
Humberto Cabrera Jr.
13121 S. Vesta Ave
Compton, CA 90222
(424) 246 0563

Victor Rosales
VMI
1204 Mira Valle St.
Corona, CA 92879
(951) 463-6851

Gustavo Perez
GP Commercial Cleaning
17024 Gumbiner Drive
La Puente, CA 91744
(626) 991-4690

Rosa Mena
Mena, Rosa
16600 Downey Avenue, SP#59
Paramount, CA 90723
(562) 413 0412

Yessenia Mendoza
A&C Corporation
9213 San Carlos Avenue
South Gate, CA 90280
(323) 519 8889

Jose Hurtado
1763 W 37th Dr.
Los Angeles, CA 90018
(213) 344-7349

Diego Larroca
D&C Cleaning Services
1250 W. San Bernardino Apt. #39
Covina, CA 91722
(626) 206-8429

Pedro Vasquez
AJ Maintenance Services
425 S New Hampshire Ave., #210
Los Angeles, CA 90020
(213) 268 6427

EXHIBIT H

FORMER FRANCHISEES

FORMER FRANCHISEES

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

Terminated Franchisees*

Ana Gonzalez
Axcess K&A Cleaning
13629 Rancho Camino Dr
Paramount, CA 90723
(323) 787-5066

Maria de la Luz Carrillo
Sweet Cleaning Enterprise Inc.
8963 Bryson Avenue, Apt. B
South Gate, CA 90280
(310) 493 0179

Fernando Berrocal
FBO Maintenance LLC
833 W. 84th St.
Los Angeles, CA 90044
(310) 505-9944

Roberto Perez
Ultra Clean
11808 Carlisle Avenue
Chino, CA 91710
(323) 496-1854

* The franchise agreements listed were terminated between January 1, 2023 and September 30, 2024.

Transfers

None.

EXHIBIT I

TABLE OF CONTENTS FOR BRAND STANDARDS MANUAL

Brand Standards Manual
Table of Contents

Chapter 1: General Information 1

1. The Purpose of the Manual 2

2. How to Use This Manual 3

Chapter 2: The iNX Brand 4

1. The Brand 5

2. Core Values 6

3. Mission 7

4. Vision 8

Chapter 3: The Franchise Relationship 9

1. The Franchise Defined 10

1.1 Modifications of the System 10

2. The Franchisee/Franchisor Relationship 11

2.1. Independent Contractor 11

2.2. Independently Owned and Operated 11

2.3. You Are the CEO of This Business 11

2.4. Joint Employment & Vicarious Liability 12

3. Prices 13

4. Our Responsibilities 14

4.1. Pre-opening Obligations 14

4.2. Continuing Obligations 14

4.3. Site Approval Process 17

5. Your Obligations 19

5.1. Participation in the Business 19

5.2. Compliance 20

5.2.1. iNX Standards 20

5.2.2. Compliance with the Law 20

5.2.3. Approved Suppliers, Products, & Services 20

5.2.4. Payment of Fees & Taxes 21

5.2.5. Taxes 21

5.2.6. Confidentiality 21

5.2.7. Opening 21

5.2.8. Computers, Software & Technology 22

5.2.8.1. PEO & Employee Management 22
5.2.8.2. Internet & Email 22
5.2.8.3. Social Media 23
5.3. Training 23
5.3.1. Initial Training 23
5.3.2. Meetings & Conferences 23
5.3.3. Additional Training 23
5.4. Use of Marks & Proprietary Information 24
5.5. Advertising and Promotion 24
5.6. Insurance 24
5.7. Books, Records and Reports 25
5.7.1. Franchise Income Statement Approval 26
5.7.2. Reconciliation Statements 26
5.7.3. Submission of Financial Statements 27
5.8. Audits & Inspections 28
5.8.1. Financial Audits 28
5.8.2. Brand Standards Audits 28
6. Establishing Your Business Entity 29
6.1. Naming & Identification 29
6.1.1. Correct Use of the Name 29
6.1.2. Sample Business Names 30
6.1.3. Governing Documents 30
6.2. Tax Identification Numbers 30
Chapter 4: Operational Standards 31
1. Overview 32
1.1. The Importance of Brand Standards 32
2. Review & Enforcement 33
2.1. Citations 33
3. The Operations Standards 34
3.1. Account Services Standards 34
3.1.1. Account Types 37
3.1.2. Rates and Acceptance 37
3.1.3. Quality Assurance Form 38
3.1.4. Missed or Late Appointments 39
3.1.5. First Time Consult 39

3.1.6. Service Change Orders 40
3.1.7. Employee Substitution Without Notice 41
3.1.8. Inspecting The Accounts 41
3.1.9. Enterprise Account Services 42
3.1.10. Account Security Standards 43
3.1.10.1. Keys 43
3.1.10.2. Alarms 43
3.1.10.3. Damage or Accidents 44
3.1.10.4. Valuable Items 44
3.1.10.5. Customer Property 44
3.1.10.6. Access to Customer Premises 44
3.1.11. Account Complaint Response Times 45
3.2. Clothing & Appearance 45
3.2.1. Clothing 46
3.2.2. Appearance 46
3.2.3. Smoking & Tobacco 47
3.3. Condition of Equipment 47
3.4. SDS Sheets 48
4. Safety Meetings 49
5. Standards Variances 50
5.1. How to Request a Variance 50
Chapter 5: Business Administration 51
1. Key Performance Indicators (KPI) & Profitability 52
1.1. Monthly Cash Flow 52
1.2. Costs 52
1.2.1. Labor Costs 52
1.2.2. COGS (Cost of Goods Sold) 52
1.2.2.1. Chemicals 53
1.2.2.2. Equipment 53
1.2.2.3. Fuel & Mileage 53
1.3. Other Metrics 53
1.3.1. Production Speed 53
2. Managing the Numbers 55
2.1. Reports 55

2.1.1. Building Records 55
2.1.2. Accounting Reports 55
2.1.3. Weekly Reports 56
2.1.4. Monthly Reports 56
3. Effective Scheduling 58
3.1. Establishing How Long a Job Should Take 58
4. Advance Requests 59
5. Reconciliation Statements on Accounts 60
5.1. Chargeback on Accounts 60
6. Inventory Control 61
Chapter 6: Staffing Best Practices 62
1. Overview and Disclaimer 63
2. Laws and Requirements 64
2.1. Accidental Price Fixing 64
3. Staying Personally Involved 65
4. Job Descriptions 66
4.1. Elements of a Job Description 66
4.1.1. Basic Job Identification 66
4.1.2. Essential Functions of the Job 66
4.1.3. Requirements of the Job 66
4.2. Suggested Job Descriptions 67
4.2.1. General Manager 67
4.2.2. Operations Manager 68
4.2.3. Supervisor 69
4.2.4. Service Technician 71
5. Replacement Staff 73
6. Confidentiality Agreements 74
7. Employee Orientation Best Practices 75
Chapter 7: Operations Best Practices 76
1. What Are Best Practices 77
2. Account Care Best Practices 78
2.1. Establishing the Relationship 78
2.2. First Time Consult 78
2.3. Plan of Action 79
2.4. Preparation 79

2.4.1. Pre-Start Walk Through 79
2.5. Timeliness 79
2.6. Responding to Accounts 80
2.6.1. Responding to Additional Service Requests or Scope of Work Changes 80
2.6.2. Responding to Price Requests 80
2.7. Responding to Client Complaints 81
2.7.1. Process to Respond to Client Complaints 82
2.8. Maintaining the Relationship 83
3. Cleaning Best Practices 84
3.1. Planning the Account 84
3.2. Developing a Routine 85
3.3. Routing the Work 85
3.4. Conserving Resources 85
3.5. Account Inspection Best Practices 86
3.5.1. Quality Audit — Building Inspection Report 86
3.5.2. Team Inspecting 87
3.5.3. Owner/Supervisor Inspecting 88
4. Following/Modifying Scope of Work 89
5. Common Daily Best Practices 90
5.1. Conduct Best Practices 90
5.2. Safety Best Practices 91
5.3. SDS Sheets 91
5.4. Checklists 91
5.5. Chemical Use 92
5.6. Safety Equipment 92
5.7. Safety Meeting Best Practices 93
6. Equipment Use & Maintenance Best Practices 94
6.1. Overview 94
6.2. Floor Machines 94
6.2.1. Floor Machine Options 94
6.3. Vacuum Cleaners 95
Terms and Acronyms 97
1. Glossary of Terms 98
2. iNX Acronyms 111

EXHIBIT J

FINANCIAL STATEMENTS

The following financial statements include unaudited financial statements for the period from January 1, 2024, through July 31, 2024.

The unaudited financial statements were prepared without an audit, which means that no certified public accountant has audited the figures or expressed their opinion with regard to the content or form of the financial statements.

iNX Building Maintenance Solutions, Inc.

Balance Sheet

End of Jul 2024

Financial Row	Amount
ASSETS	
Current Assets	
Bank	$897,304.56
Accounts Receivable	$531,434.72
Other Current Asset	$357,475.49
Total Current Assets	$1,786,214.77
Other Assets	
Financing/Leases Receivable - Franchises	$543.35
Notes Receivable - Franchisees	$61,929.91
Total Other Assets	$62,473.26
Total ASSETS	$1,848,688.03
Liabilities & Equity	
Current Liabilities	
Accounts Payable	$154,216.21
Credit Card	$33,404.89
Other Current Liability	$1,181,571.80
Total Current Liabilities	$1,369,192.90
Long Term Liabilities	
Lease Payable - L/T Portion	($532.46)
Loan Payable B of A – SBA EIDL Loan - 2 - 2021-03	$156,466.50
Total Long Term Liabilities	$155,934.04
Equity	$323,561.09
Total Liabilities & Equity	$1,848,688.03

iNX Building Maintenance Solutions, Inc.

Condensed Income Statement

From Jan 2024 to Jul 2024

Financial Row	Account (Line): Name	Amount
Ordinary Income/Expense		
Operating Revenue		$8,755,118
Operating COGS		$7,051,226
Gross Profit		$1,703,892
Margin %		*19%*
Operating Expenses		
Automobile Expense		6,761
Bank & Finance Expense		30,928
Expense Reimbursements		28,329
Facility & Operation Expense		6,972
Home Office Expenses		9,983
Insurance Expenses		14,937
IT & Software Expenses		86,282
Sales & Marketing Expenses		220,328
Office Supplies		2,178
Professional Expenses		$95,109
Payroll Expenses		1,169,239
Tax Expenses		500
Travel & Entertainment		20,066
Total Operating Expenses		$1,691,612
Net Ordinary Income		12,281
Non-Operation Expenses		
Other Income		21,940
Other Expense		(431)
Non-Recurring Items		115,682
Net Non-Operation Expenses		(93,311)
Net Income		($81,030)

iNX Building Maintenance Solutions, Inc.

Cash Flow Statement

From Jan 2024 to Jul 2024

Financial Row	Amount
Operating Activities	
Net Income	($81,030)
Adjustments to Net Income	
Accounts Receivable	$148,026
Current Portion - Marketing Notes	$21,850
Other Current Asset	$3,689
Accounts Payable	$56,444
Sales Tax Payable	($4,201)
Other Current Liabilities	($48,311)
Total Adjustments to Net Income	$177,498
Total Operating Activities	$96,468
Investing Activities	
LT Notes Receivables	$28,949
Long Term Liabilities	($4,027)
Other Asset	$1,948
Total Investing Activities	$26,870
Financing Activities	($27,024)
Net Change in Cash for Period	$96,314
Cash at Beginning of Period	$800,991
Cash at End of Period	$897,305

INX BUILDING MAINTENANCE SOLUTIONS, INC.

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

INX BUILDING MAINTENANCE SOLUTIONS, INC.
INDEX TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Independent Auditors' Report ..... 1 - 3

Balance Sheets 4

Statements of Operations 5

Statements of Stockholders' Equity 6

Statements of Cash Flows 7

Notes to Financial Statements ..... 8 – 14

Supplemental Schedule of Selling, General and Administrative Expenses 15

Supplemental Schedule of Other Income and (Expenses) 16

BAROLDI GUNDERSEN
CERTIFIED PUBLIC ACCOUNTANTS | FINANCIAL ADVISORS

BAROLDI GUNDERSEN LLP
27442 PORTOLA PKWY I 155
FOOTHILL RANCH, CA 92610
TELEPHONE (949) 472-9432
INTERNET www.BG-CPAs.com

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholder
iNX Building Maintenance Solutions, Inc.

Opinion

We have audited the accompanying financial statements of iNX Building Maintenance Solutions, Inc. (a California corporation), which comprise the balance sheet as of December 31, 2023, and the related statements of operations, stockholders' equity and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of iNX Building Maintenance Solutions, Inc. as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Other Matter

The 2022 financial statements of the Company were audited by other auditors, whose report dated March 14, 2023 expressed an unmodified 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; 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.

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

Auditors' Responsibility

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of iNX Building Maintenance Solutions, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about iNX Building Maintenance Solutions, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Other Matter

Supplementary Information

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

Baroldi Gundersen, LLP

April 2, 2024
Foothill Ranch, California

Baroldi Gundersen LLP

INX BUILDING MAINTENANCE SOLUTIONS, INC.

BALANCE SHEETS

DECEMBER 31, 2023 AND DECEMBER 31, 2022

	2023	2022
ASSETS		
Current assets:		
Cash (Note 2)	$ 800,990	$ 897,584
Accounts receivable (net of allowance for bad debts of $20,629 and $47,412 at December 31, 2023 and 2022, respectively) (Note 2)	679,462	541,602
Prepaid expenses	44,826	38,526
Advances to stockholders	27,024	27,024
Advances to franchisees	4,154	4,517
Notes receivable (Note 8)	233,380	318,477
Other receivables (Note 4)	7,634	46,152
Total current assets	1,797,470	1,873,882
Notes receivable, net of current portion (Note 8)	93,588	204,815
Other receivables, net of current portion (Note 4)	2,491	9,649
Security deposits	400	400
Total assets	$ 1,893,949	$ 2,088,746
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	$ 1,047,434	$ 969,069
Accrued Expenses (Note 5)	241,569	217,065
Income tax payable (Note 2)	800	800
Accrued Guarantees (Note 3)	6,721	3,178
SBA EIDL loan (Note 6)	2,892	1,377
Current portion of notes payable (Note 4)	7,037	41,490
Total current liabilities	1,306,453	1,232,979
SBA EIDL loan, net of current portion (Note 6)	155,248	158,813
Notes payable, net of current portion (Note 4)	1,821	9,726
Total liabilities	1,463,522	1,401,518
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Capital stock, no par value; 10,000 shares authorized; 10,000 shares issued and outstanding	20,000	20,000
Contributed Capital	619,220	619,220
Retained earnings (deficit)	(208,793)	48,008
Total stockholders' equity	430,427	687,228
Total liabilities and stockholders' equity	$ 1,893,949	$ 2,088,746

The accompanying notes are an integral part of these financial statements.

INX BUILDING MAINTENANCE SOLUTIONS, INC.

STATEMENTS OF OPERATIONS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
SALES		
Franchise fee	$ 672,739	$ 735,559
Cleaning and janitorial services	13,568,601	12,682,351
TOTAL SALES	14,241,340	13,417,910
COST OF SALES		
Franchise costs	8,976	39,639
Remittance to franchisees for services provided	11,515,100	10,675,354
TOTAL COST OF SALES	11,524,076	10,714,993
GROSS PROFIT	2,717,264	2,702,917
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	3,033,223	2,704,534
LOSS FROM OPERATIONS	(315,959)	(1,617)
OTHER INCOME (EXPENSES)	85,826	(12,400)
LOSS BEFORE PROVISION FOR INCOME TAXES	(230,133)	(14,017)
INCOME TAX EXPENSE	800	800
NET LOSS	$ (230,933)	$ (14,817)

The accompanying notes are an integral part of these financial statements.

INX BUILDING MAINTENANCE SOLUTIONS, INC.

STATEMENTS OF STOCKHOLDERS' EQUITY

YEARS ENDED DECEMBER 31, 2023 AND 2022

	Common stock		Contributed capital	Retained earnings (deficit)	Total stockholder's equity
	Shares	Amount			
Balance - December 31, 2021	10,000	$ 20,000	$ 619,220	$ 119,556	$ 758,776
Stockholder Distributions	-	-	-	(56,731)	(56,731)
Net loss	-	-	-	(14,817)	(14,817)
Balance - December 31, 2022	10,000	20,000	619,220	48,008	687,228
Stockholder Distributions	-	-	-	(25,868)	(25,868)
Net loss	-	-	-	(230,933)	(230,933)
Balance - December 31, 2023	10,000	$ 20,000	$ 619,220	$ (208,793)	$ 430,427

The accompanying notes are an integral part of these financial statements.

INX BUILDING MAINTENANCE SOLUTIONS, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash flows from operating activities:		
Net loss	$ (230,933)	$ (14,817)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:		
Financed marketing fees	(156,496)	(360,616)
Net changes in assets and liabilities:		
Accounts receivable	(137,860)	54,682
Other receivables	45,676	47,586
Advances to franchisees	363	(3,781)
Prepaid expenses	(6,300)	40,451
Prepaid income taxes	-	(4,818)
Accounts payable	78,365	62,234
Accrued expenses	24,504	(28,927)
Income tax payable	-	(1,138)
Accrued guarantees	3,543	(7,846)
Net cash provided by (used in) operating activities	(379,138)	(216,990)
Cash flows from investing activities:		
Payments received on notes receivable	352,820	393,885
Net cash provided by investing activities	352,820	393,885
Cash flows from financing activities:		
Advances on line of credit	-	455
Payments on notes payable	(42,358)	(45,228)
Proceeds from (payments on) SBA EIDL loan	(2,050)	6,021
Stockholder distributions	(25,868)	(27,024)
Net cash used in financing activities	(70,276)	(65,776)
Net increase (decrease) in cash and cash equivalents	(96,594)	111,119
Cash, beginning of year	897,584	786,465
Cash, end of year	$ 800,990	$ 897,584
Supplemental cash flow information:		
Interest paid	$ 5,990	$ 6,633
Income taxes paid	$ 1,000	$ 6,756
Supplementary non-cash investing and financing activities:		
Equipment loans incurred by franchisees	$ -	$ 8,514
Equipment loans receivable from franchisees	$ -	$ 10,173

The accompanying notes are an integral part of these financial statements

NOTE 1: NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Nature of Operations

iNX Building Maintenance Solutions, Inc. (the "Company") provides building maintenance and offers franchise opportunities to the general public primarily in Southern California. The Company sells franchises under its trade name, iNX Building Maintenance Solutions, Inc. A franchise includes, but is not necessarily limited to, initial customers, additional customer offerings, training, administrative services and a license to use specified trade names and trademarks. The Company's franchise offering is registered with, and regulated by the California Department of Financial Protection and Innovation and is required to follow certain regulatory guidelines.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with Accounting Principles Generally Accepted in the United States of America ("GAAP"), as contained within the Financial Accounting Standards Board Accounting Codification. In the opinion of the Company's management, the financial statements reflect all adjustments, which are normal and recurring in nature, necessary for fair financial presentation.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates in the Preparation of Financial Statements

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

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist mainly of trade receivables and notes receivable from franchisees. The Company performs ongoing credit evaluations of its customers and franchisees and generally does not require collateral. The Company maintains reserves for potential losses for uncollectable accounts, and such losses have historically been within management's expectations.

The Company maintains its cash in bank accounts, which are insured by the Federal Deposit Insurance Corporation ("FDIC"). The standard FDIC insurance amount is $250,000 per depositor, per insured bank. At times, the Company's cash balances may exceed the federally insured limits. The Company has not experienced any losses on these accounts and believes it is not exposed to any significant credit risk on cash.

The Company earns the majority of its revenues from interior and exterior cleaning and janitorial programs for commercial, industrial and professional clients. No single customer represented more than 10% of total revenues during the years ended December 31, 2023 and 2022.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Company considers all highly liquid temporary investments with an original maturity of three months or less to be cash equivalents. The Company considered certificates of deposits as cash for the purpose of statement of cash flows.

Accounts Receivable

The Company's accounts receivable as of December 31, 2023 were comprised of amounts due from the Company's clients for cleaning and janitorial services provided. Account receivables are carried at their estimated collectible amounts. Individual receivable accounts deemed uncollectible are written off against the allowance for uncollectible accounts. Based on the Company's past debt history and the evaluation of collectability of the current accounts receivable, the Company had $20,629 and $47,412 allowance for doubtful accounts as of December 31, 2023 and 2022, respectively.

Revenue Recognition

The Company accounts for its revenue in accordance with Accounting Standards Codification ("ASC") Topic 606: *Revenue from Contracts with Customers ("ASC 606").* ASC 606 provides a single, principles-based five-step model to be applied to all contracts with customers. ASC 606 generally provides for the recognition of revenue in an amount that reflects the consideration to which an entity expects to be entitled, net of allowances for estimated returns, discounts or sales incentives, as well as taxes collected from customers that are remitted to government authorities, when control over the promised goods or services are transferred to the customer.

The majority of the Company's revenue comes from cleaning and janitorial services the company is contracted to perform that are performed by their franchisees at the company's discretion.. The Company contracts directly with all of the customers, establishes the prices for services, collects the fees for services provided, has the ability to use its franchisees or other subcontractors to perform the services and is ultimately responsible for the quality of the services performed. Consequently, the Company has determined it is the principal to the contracts and recognizes the revenue for the services performed. Such revenue is recorded at a point in time when the services are rendered.

The Company also derives revenue from its franchisees for training, and various other fees. Such revenue is recognized at a point in time when the training is performed or when the fees are earned.

The Company has elected to expense incremental costs to obtain new contracts when incurred because the amortization period for these costs is one year or less. Bid, proposal, and selling and marketing costs (including advertising costs), as well as legal costs incurred in connection with the pursuit of new contracts, are not incremental, as the Company would have incurred those costs even if it did not obtain the contract. Such costs are expensed in the period they are incurred.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising and Marketing

The Company incurs advertising and marketing costs to attract and retain customers for its franchisees. Advertising and marketing costs are expensed as incurred and included in general and administrative expenses on the statement of operations. The Company incurred advertising and marketing costs in the amount of $291,151 and $260,720 for the years ended December 31, 2023 and 2022, respectively.

Income Taxes

The Company has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code for federal and California purposes. Under those provisions the Company does not pay federal corporate income taxes on its taxable income. Instead, the stockholders are liable for individual federal and California income taxes on their respective shares of the Company's taxable income.

The corporation tax law, under Chapter 2 of California law, imposes an income tax on all S-corporations conducting business in the state. The rate of tax for the Company's December 31, 2023 and 2022 years was 1.5%, or $800 minimum.

The Company files income tax returns in the U.S. federal jurisdiction, state of California. The Company's federal income tax returns for tax years 2020 and beyond remain subject to examination by the Internal Revenue Service. The Company's income tax returns for the tax years 2019 and beyond remain subject to examination by the Franchise Tax Board.

Adoption of New Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, and subsequent amendments to the initial guidance under ASU 2018-19, ASU 2019-04, ASU 2019-05 and ASU 2019-10, which amends the current approach to estimate credit losses on certain financial assets. This ASU requires immediate recognition of management's estimates of current expected credit losses. Under the prior model, losses were recognized only as they were incurred, which FASB has noted delayed recognition of expected losses that might not yet have met the threshold of being probable. The standard is applicable to all financial assets (and net investment in leases) that are not accounted for at fair value through net income, such as trade receivables, loans, debt securities, and net investment in leases, thereby bringing consistency in accounting treatment across different types of financial instruments and requiring consideration of a broader range of variables when forming loss estimates. Subsequent changes in the valuation allowance are recorded in current earnings and reversal of previous losses are permitted. The Company adopted this standard as of January 1, 2023, and it did not have a material impact on the financial statements.

In March 2022, the FASB issued ASU 2022-02, Financial Instruments – Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures, which amends the accounting for credit losses on financial instruments. This amendment eliminates the recognition and measurement

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Pronouncements (Continued)

guidance on troubled debt restructurings for creditors that have adopted the new credit losses guidance in ASC 326 and requires enhanced disclosures about loan modifications for borrowers experiencing financial difficulty. This guidance became effective for the Company on January 1, 2023. This ASU did not have a material impact on the financial statements.

The Company's financial assets are limited to trade receivables and amounts receivable from franchisees. The Company estimates its reserves based on historical loss information. Management believes that historical loss information is a reasonable base on which to determine expected credit losses for trade receivables and amounts receivable from franchisees held at the reporting date because the composition of these assets at the reporting date is consistent with that used in developing the historical credit-loss percentages. However, the Company will continue to monitor and adjust the historical loss rates to reflect the effects of current conditions and forecasted changes.

Recently Issued Accounting Pronouncements Not Yet Adopted

In March 2022, the FASB issued ASU 2022-01, Derivatives and Hedging (Topic 815): Fair Value Hedging – Portfolio Layer Method, which clarifies the guidance in ASC 815 on fair value hedge accounting of interest rate risk for portfolios of financial assets. The ASU amends the guidance in ASU 2017-12 (released on August 28, 2017) that, among other things, established the "last-of-layer" method for making the fair value hedge accounting for these portfolios more accessible. ASU 2022-01 renames that method the "portfolio layer" method and addresses feedback from stakeholders regarding its application. This ASU is effective for the Company beginning January 1, 2024 and is not expected to have a material impact on the financial statements.

In March 2023, the FASB issued ASU No. 2023-01, Leases (Topic 842): Common Control Arrangements. This amendment responds to private company stakeholders' concerns about applying Topic 842 to related party arrangements between entities under common control. The amendment requires entities to determine whether a related party arrangement between entities under common control is a lease, and if classified as a lease, the entity is required to account for the lease on the same basis as an arrangement with an unrelated party. Additionally, the amendment provides guidance for accounting for leasehold improvements associated with common control leases. The amendment is effective for fiscal years beginning after December 15, 2023 with early adoption permitted. This standard is not expected to have a material impact on the Company's financial statements.

In August 2023, the FASB issued ASU 2023-05, Business Combinations—Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement, under which an entity that qualifies as either a joint venture or a corporate joint venture as defined in the FASB ASC master glossary is required to apply a new basis of accounting upon the formation of the joint venture. Specifically, the ASU provides that a joint venture or a corporate joint venture (collectively, "joint ventures") must initially measure its assets and liabilities at fair value on the formation date. This ASU is effective for the Company beginning January 1, 2025 and is not expected to have a material impact on the financial statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, under which entities must consistently categorize and provide greater disaggregation of information in the rate reconciliation. They must also further disaggregate income taxes paid. ASU 2023-09 enhances annual income tax disclosures to address investor requests for more information about the tax risks and opportunities present in an entity's worldwide operations. This ASU is effective for the Company beginning January 1, 2026 and is not expected to have a material impact on the Company's financial statements.

Reclassifications

Certain reclassifications have been made to the consolidated financial statements for the year ended December 31, 2022 in order to conform to the current year presentation. Such reclassifications have no effect on the previously reported assets and liabilities as of December 31, 2022 or the net loss for the year then ended.

NOTE 3: ACCRUED GUARANTEES

The Company offers a six-month guarantee on all service contracts sold to the franchisees, effective immediately after the sale. If the customer terminates the service contract at no fault of the franchisee within the six-month guaranty period, the Company will pay the franchisee the value of the remaining contract until the six-month period ends. The accrued guaranteed liability was $6,721 and $3,178 at December 31, 2023 and 2022, respectively.

NOTE 4: NOTES PAYABLE AND OTHER RECEIVABLES

The Company currently has six contracts for the financing of various equipment used by the franchisees for the janitorial business. The two stockholders have provided personal guaranties on these financing agreements. The equipment is in the possession of and used by the Company's franchisees, as such, receivables from the franchisees are also recorded on the Company's balance sheet. Monthly payment for these financing agreements is submitted by the Company and reimbursed by the franchisees monthly. Management believes these receivables from the franchisees are fully collectible.

Monthly payments on these financing agreements range from $119 to $463 and terminate on various dates through October 2025. These agreements bear interest at rates ranging between 10.82% and 13.5%.

Future maturities of these financing agreements are as follows:

Year ending December 31,	
2024	$ 7,037
2025	1,821
	$ 8,858

NOTE 5: ACCRUED EXPENSES

Accrued expenses consisted of the following as of December 31, 2023 and 2022:

	2023	2022
Payroll wages payable	$ 79,006	$ 68,005
Vacation payable	60,903	56,925
Credit card charges	50,121	65,735
Customer prepayments	32,639	-
Accrued professional fees	18,900	26,400
Total accrued expenses	$ 241,569	$ 217,065

NOTE 6: SBA EIDL LOAN PAYABLE

The Company obtained an SBA EIDL loan in March 2021. The interest rate on the principal balance is 3.75%. Payments are deferred with accrued interest until March 2023. The monthly payment will be $731 with maturity date on March 26, 2051. As of December 31, 2023, the loan balance with accrued interest was $158,140.

Maturities of long-term debt are as follows:

Period Ending December 31	Loan Principal Amount
2024	$ 2,892
2025	3,003
2026	3,117
2027	3,236
2028	3,360
Thereafter	142,532
Total	$ 158,140

NOTE 7: LINE OF CREDIT

The Company established three business lines of credit from different financial institutions. The credit limits are $98,000, $100,000, and $200,000, respectively. As of December 31, 2023, there were no outstanding balances on these lines of credit.

NOTE 8: NOTES RECEIVABLE

Notes receivable represent the marketing fees the Company financed for the franchisees. For each new service account, the Company locates for a franchisee, the franchisee is obligated to pay the Company marketing fees at three times of one month's gross revenue of the contract. If the franchisee is unable to pay the marketing fees in full, the Company offers financing for up to 36 months at 10% interest per year.

Based on the management's evaluation, all outstanding notes receivable are collectible.

NOTE 9: EMPLOYEE RETENTION CREDIT

During the year ended December 31, 2023, the Company was eligible for the Employee Retention Credit which was established by the Coronavirus Aid, Relief and Economic Security Act (the "CARES act"). The Company recognized $56,582 in ERC revenue during 2023 which is included in other revenue in the accompanying statement of operations.

NOTE 10: COMMITMENTS AND CONTINGENCIES

The Company is not subject to any proceedings or claims that are anticipated to have a material impact on the Company's financial statements.

NOTE 11: SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are issued. The Company evaluated subsequent events through April 2, 2024, the date these financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

INX BUILDING MAINTENANCE SOLUTIONS, INC.
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES
DECEMBER 31, 2023 AND 2022

	2023	2022
Salaries and wages	$ 1,876,342	$ 1,540,930
Advertising and marketing	291,151	260,720
Legal and professional	184,083	174,832
Software and support	164,233	186,322
Payroll taxes	146,051	129,209
Insurance	108,535	102,864
Auto expenses	56,768	61,801
Recruiting	43,397	90,473
Travel	42,297	48,013
Bank charges	41,302	34,787
Office supplies	24,896	25,168
Professional development	22,838	13,430
Meals and entertainment	9,901	3,054
Telephone	9,710	6,518
Dues and subscriptions	5,538	12,016
Storage	3,462	2,908
Postage and delivery	1,303	2,939
Bad debt	1,193	8,326
Taxes and licenses	223	224
Total selling, general and administrative expenses	$ 3,033,223	$ 2,704,534

INX BUILDING MAINTENANCE SOLUTIONS, INC.

OTHER INCOME AND (EXPENSES)

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Employee retention credit (Note 9)	$ 56,582	$ -
Interest income	28,123	495
Miscellaneous income	1,121	5,736
Interest (expense)	-	(6,635)
PTE entity tax	-	(11,996)
Total other income and (expenses)	$ 85,826	$ (12,400)

iNX BUILDING MAINTENANCE SOLUTIONS, INC.

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2021 AND 2020
AND FOR THE YEARS THEN ENDED

TOGETHER WITH THE INDEPENDENT AUDITOR'S REPORT

iNX BUILDING MAINTENANCE SOLUTIONS, INC.

INDEX TO FINANCIAL STATEMENTS AND SCHEDULES
DECEMBER 31, 2021 and 2020

CONTENTS

Page

Independent Auditor's Report 1-2

Financial Statements

Balance Sheets 3-4

Statements of Income and Retained Earnings (Deficit) 5

Statements of Cash Flows 6-7

Notes to Financial Statements 8-14

Schedules to Statements of Income and Retained Earnings (Deficit) 15-16

WHITEHORSE & COMPANY, CPA
A PROFESSIONAL CORPORATION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
iNX Building Maintenance Solutions, Inc.
Los Angeles, California

Opinion

We have audited the accompanying financial statement of iNX Building Maintenance Solutions, Inc. (a California corporation), which comprise the balance sheets as of December 31, 2021 and December 31, 2020, and the related statements of income, retained earnings (deficit), and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of iNX Building Maintenance Solutions, Inc. as of December 31, 2021 and December 31, 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

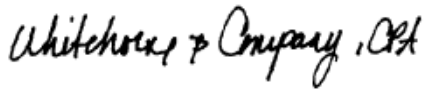
Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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



Burbank, California
March 21, 2022

iNX BUILDING MAINTENANCE SOLUTIONS, INC.

BALANCE SHEETS
DECEMBER 31, 2021 AND DECEMBER 31, 2020

ASSETS

	2021	2020
Current assets:		
Cash (note 1)	$ 786,465	$ 799,477
Accounts receivable (net of allowance for bad debts of $15,000 and $24,533 at December 31, 2021 and 2020, respectively) (note 1)	596,282	365,319
Prepaid expenses	69,979	46,183
Prepaid income taxes	4,180	800
Advances to stockholders	56,731	0
Advances for franchisees	735	7,664
Notes receivable - current (note 8)	356,654	368,098
Other receivables - current (note 4)	56,095	42,819
Total current assets	1,927,121	1,630,360
Other assets:		
Notes receivable – noncurrent (note 8)	199,907	185,379
Other receivables – noncurrent (note 4)	47,292	59,162
Security deposit	400	400
Total other assets	247,599	244,941
TOTAL ASSETS	$ 2,174,720	$ 1,875,301

See accompanying notes and independent auditor's report.

iNX BUILDING MAINTENANCE SOLUTIONS, INC.

BALANCE SHEETS
DECEMBER 31, 2021 AND DECEMBER 31, 2020

LIABILITIES AND STOCKHOLDERS' EQUITY

	2021	2020
Current liabilities:		
Line of credit (note 5)	$ (455)	$ 0
SBA EIDL loan – current (note 6)	1,630	0
Accounts payable	906,835	863,368
Accrued salaries	154,918	151,850
Accrued liabilities	91,074	85,805
Accrued guarantees (note 3)	11,024	5,159
Income tax payable (note 2)	1,938	1,493
Notes payable - current (note 4)	52,577	63,698
Total current liabilities	1,219,541	1,171,373
Long-term liabilities		
SBA EIDL loan - noncurrent (note 6)	152,539	0
Notes payable - noncurrent (note 4)	43,864	55,735
Total long-term liabilities	196,403	55,735
TOTAL LIABILLITIES	1,415,944	1,227,108
Stockholders' equity:		
Common stock, 10,000 shares authorized and 10,000 shares outstanding with no par	20,000	20,000
Contributed capital	619,220	619,220
Retained earnings	119,556	8,973
TOTAL STOCKHOLDERS' EQUITY	758,776	648,193
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 2,174,720	$ 1,875,301

See accompanying notes and independent auditor's report.

iNX BUILDING MAINTENANCE SOLUTIONS, INC.

STATEMENTS OF INCOME AND RETAINED EARNINGS (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Sales		
Franchise fee	$ 889,766	$ 626,060
Receipts from services provided by franchisees	11,400,682	9,576,589
Total sales	12,290,448	10,202,649
Cost of sales		
Franchise costs	37,700	16,305
Remittance to franchisees for services provided	9,552,074	7,962,185
Total cost of sales	9,589,774	7,978,490
Gross profit	2,700,674	2,224,159
Selling, general and administrative expenses (schedule 1)	2,634,703	2,124,611
Income (loss) from operations	65,971	99,548
Other income and (expenses) (schedule 2)	45,857	137,226
Net income (loss) before income taxes	111,828	236,774
Provision for income taxes (note 2)	1,245	1,584
Net income (loss)	110,583	235,190
Retained earnings (deficit) at January 1, 2021 and January 1, 2020	8,973	(85,603)
Distributions	0	(140,614)
Retained earnings at December 31, 2021 and December 31, 2020	$ 119,556	$ 8,973

See accompanying notes and independent auditor's report.

iNX BUILDING MAINTENANCE SOLUTIONS, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	2021	2020
Cash from operating activities:		
Cash received from customers	$ 12,059,485	$ 10,334,093
Cash paid to franchisees, suppliers and Employees	(12,186,759)	(9,926,768)
Miscellaneous income	50,712	155,297
Miscellaneous (expense)	0	(14,428)
Interest (expense)	(4,855)	(2,192)
Income taxes paid	(4,180)	1,233
Net cash provided (used) by operating activities	(85,597)	547,235
Cash flows from financing activities:		
Advances (payments) on line of credit	(455)	0
Advances (payments) on notes payable	(22,992)	35,385
Proceeds from SBA EIDL loan	154,169	0
(Advance to) payments from other receivables	(1,406)	(59,828)
Net payments (to) from shareholders	(56,731)	0
Net cash provided (used) by financing activities	72,585	(24,443)
Net increase (decrease) in cash and cash equivalents	(13,012)	522,792
Cash and cash equivalents at January 1, 2021 and January 1, 2020	799,477	276,685
Cash and cash equivalents at December 31, 2021 and December 31, 2020	$ 786,465	$ 799,477

See accompanying notes and independent auditor's report.

iNX BUILDING MAINTENANCE SOLUTIONS, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

	2021	2020
Net income (loss)	$ 110,583	$ 235,190
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Loss on sale of fixed assets	0	1,451
(Increase) decrease in accounts receivable	(230,963)	131,444
(Increase) decrease in advances to/for franchisees	6,929	(6,838)
(Increase) decrease in prepaid expenses	(23,796)	(29,608)
(Increase) decrease in prepaid income taxes	(3,380)	3,200
(Increase) decrease in inventory	0	5,321
(Increase) decrease in notes receivable	(3,084)	76,589
(Increase) decrease in security deposit	0	2,891
Increase (decrease) in accounts payable	43,467	24,768
Increase (decrease) in accrued salaries	3,068	120,538
Increase (decrease) in accrued income taxes	445	(383)
Increase (decrease) in accrued guarantees	5,865	(8,287)
Increase (decrease) in accrued liabilities	5,269	(9,041)
Total adjustments	(196,180)	312,045
Net cash provided (used) by operating activities	$ (85,597)	$ 547,235

See accompanying notes and independent auditor's report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of business - The Company provides building maintenance and offers franchise opportunities to the general public primarily in Southern California. The Company sells franchises under its trade name, iNX Building Maintenance Solutions, Inc. A franchise includes, but is not necessarily limited to, initial customers, additional customer offerings, training, administrative services and a license to use specified trade names and trademarks. The Company is licensed and regulated by the California Department of Business Oversight and is required to follow certain regulatory guidelines.

Use of estimate - Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Cash - The Company considers unrestricted currency, demand deposits, certificates of deposits with less than three months of maturities and money market accounts as cash. The Company maintains cash balances at various financial institutions that are insured by the Federal Deposit Insurance Corporation up to $250,000.

The Company considered certificates of deposits as cash for the purpose of statement of cash flows.

Accounts receivable – The Company provides an allowance for uncollectible accounts based on management's evaluation of outstanding accounts receivable. The allowance was $15,000 and $24,533 at December 31, 2021 and 2020, respectively.

Revenue and Cost Recognition – On January 1, 2019, the Company adopted the Financial Accounting Standards Board's (FASB") Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606)". The ASU required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

The majority of the Company's revenue is recognized at a point in time based on monthly services provided to the customers. Insignificant amount of revenue recognized over time primarily consists of performance obligations that are satisfied within one year, which is to offer the initial training and operating manual to the franchisees. Majority of the Company's contracts do not contain variable considerations and contract modifications are generally minimal. Based on the Company's evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

revenue is recognized under the new standard. For these reasons, there is not a significant impact on the Company's financial statements and no changes were required to previously reported revenues as a result of the adoption.

Subsequent Events – The management of the Company has evaluated events subsequent to balance sheet date through March 21, 2022, the date of the financial statements were available to be issued.

2. INCOME TAXES

The Company has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code for federal and California purposes. Under those provisions the Company does not pay federal corporate income taxes on its taxable income. Instead, the stockholders are liable for individual federal and California income taxes on their respective shares of the Company's taxable income.

Deferred income taxes are provided for differences in timing in reporting income and expenses for financial statement and tax purposes. These differences arise primarily from the methods of computing depreciation.

The corporation tax law, under Chapter 2 of California law, imposes an income tax on all S-corporations conducting business in the state. The rate of tax for the Company's December 31, 2021 and December 31, 2020 year end is 1.5%, or $800 minimum. The provision for state income taxes consists of the following:

	2021	2020
Accrued income taxes	$ 1,938	$ 1,493
Deferred income taxes	(693)	91
Provision for income taxes	$ 1,245	$ 1,584

The Company files income tax returns in the U.S. federal jurisdiction, state of California. The Company's federal income tax returns for tax years 2018 and beyond remain subject to examination by the Internal Revenue Service. The Company's income tax returns for the tax years 2017 and beyond remain subject to examination by the Franchise Tax Board.

3. ACCRUED GUARANTEES

The Company offers a six-month guarantee on all service contracts sold to the franchisees, effective immediately after the sale. If the customer terminates the service contract at no fault of the franchisee within the six months guaranty period, the Company will pay the franchisee the value of the remaining contract until the six-month period ends. The accrued guarantee liability was $11,024 and $5,159 at December 31, 2021 and 2020, respectively.

4. NOTES PAYABLE AND OTHER RECEIVABLES

The Company currently has contracts for the financing of various equipment used by the franchisees for the janitorial business. The two stockholders are providing personal guaranties on these financing. The equipment is in possession of and used by the Company's franchisees, as such, receivables from the franchisees are also recorded on the Company's balance sheet. Monthly payment for all the notes is submitted by the Company and reimbursed by the franchisees monthly. All receivables are collectible.

NOTES PAYABLE

Note payable, secured by machinery and equipment, payable in monthly payment of $357, including interest at 11.17% with balance due August 2022.	$	2,845
Note payable, secured by machinery and equipment, payable in monthly payment of $277, including interest at 12.71% with balance due August 2022.		2,217
Note payable, secured by machinery and equipment, payable in monthly payment of $133, including interest at 12.71% with balance due August 2022.		1,058
Note payable, secured by machinery and equipment, payable in monthly payment of $186, including interest at 12.71% with balance due August 2022.		3,573
Note payable, secured by machinery and equipment, payable in monthly payment of $333, including interest at 12.72% with balance due August 2022.		6,154

4. NOTES PAYABLE AND OTHER RECEIVABLES (continued)

Note payable, secured by machinery and equipment, payable in monthly payment of $219, including interest at 12.71% with balance due August 2022.	$	4,372
Note payable, secured by machinery and equipment, payable in monthly payment of $497, including interest at 10.69% with balance due August 2022.		9,953
Note payable, secured by machinery and equipment, payable in monthly payment of $170, including interest at 17.62% with balance due September 2022.		3,074
Note payable, secured by machinery and equipment, payable in monthly payment of $332, including interest at 18.64% with balance due September 2022.		6,512
Note payable, secured by machinery and equipment, payable in monthly payment of $420, including interest at 10.84% with balance due September 2022.		8,811
Note payable, secured by machinery and equipment, payable in monthly payment of $315, including interest at 12.72% with balance due November 2022.		7,243
Note payable, secured by machinery and equipment, payable in monthly payment of $458, including interest at 8.52% with balance due February 2024.		11,396
Note payable, secured by machinery and equipment, payable in monthly payment of $277, including interest at 12.72% with balance due March 2024.		7,205
Note payable, secured by machinery and equipment, payable in monthly payment of $404, including interest at 10.84% with balance due March 2024.		10,491

4. NOTES PAYABLE AND OTHER RECEIVABLES (continued)

Note payable, secured by machinery and equipment, payable in monthly payment of $398, including interest at 10.84% with balance due May 2024.	$ 11,537
Total notes payable	96,441
Less current portion	(52,577)
Long-term portion	$ 43,864

Maturities of long-term debt are as follows:

Period Ending December 31	Amount
2022	$ 52,577
2023	38,965
2024	4,899
2025	0
2026	0
Thereafter	0
	$ 96,441

OTHER RECEIVABLES

Amounts due from franchisees include the notes listed above plus processing fees, the maturities for the receivables are as follows:

Period Ending December 31	Amount
2022	$ 56,095
2023	38,965
2024	8,327
2025	0
2026	0
Thereafter	0
	$ 103,387

See independent auditor's report.

5. NOTE PAYABLE

On February 2, 2017, the Company obtained a $100,125 term note with a Bank. Monthly payment on the term note is $1,869 including interest at 4.50%, with unpaid principal and interest due in December 2021. As of the balance sheet date, the note has an overpayment of $455, of which was refunded in January 2022.

Total notes payable	$ (455)
Less current portion	455
Long-term portion	$ 0

6. SBA EIDL LOAN PAYABLE

The Company obtained an SBA EIDL loan in March 2021. Interest rate on the principle balance is 3.75%. Payments are deferred with accrued interest until October 2022. The monthly payment will be $731 with maturity date on march 28, 2051. As of December 31, 2021, the loan balance is $154,169.

Maturities of long-term debt are as follows:

Period Ending December 31	Amount
2022	$ 1,630
2023	2,900
2024	3,010
2025	3,125
2026	3,244
Thereafter	140,260
	$ 154,169

7. LINE OF CREDIT

The Company obtained a business line of credit from a financial institution. The credit limit is $98,000 with interest rate at 4.25%. As of December 31, 2021, there is no outstanding balance.

8. NOTES RECEIVABLE

Notes receivable represents the marketing fees the Company financed for the franchisees. For each new service account the Company locates for a franchisee, the franchisee is obligated to pay the Company marketing fees at three times one month's gross revenue of the contract. If the franchisee is unable to pay the marketing fees in full, the Company offers financing up to 36 months at 10% interest per year.

Based on the management's evaluation, all outstanding notes receivable are collectible.

iNX BUILDING MAINTENANCE SOLUTIONS, INC.

SCHEDULES TO STATEMENTS OF INCOME AND RETAINED DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

SCHEDULE 1 - SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	2021	2020
Auto expenses	$ 71,644	$ 71,521
Bad debt	(5,174)	(69,318)
Bank charges	29,822	18,983
Dues and subscriptions	38,215	2,592
Equipment rental	485	1,726
Insurance	99,947	108,033
Legal and professional	76,198	137,746
Meals and entertainment	477	1,319
Marketing	189,559	196,635
Office supplies	53,358	41,384
Outside services	0	5,003
Payroll taxes	127,756	98,030
Postage and delivery	1,105	1,622
Professional development	7,214	9,625
Recruiting	129,117	72,916
Rent	2,274	14,352
Repairs and maintenance	0	79,716
Salaries and wages	1,549,353	1,238,784
Software and support	244,158	75,519
Taxes and licenses	4,055	1,833
Telephone	7,624	10,562
Travel	7,516	691
Uniforms	0	5,337
Total selling, general and administrative expenses	$ 2,634,703	$ 2,124,611

See accompanying notes and independent auditor's report.

iNX BUILDING MAINTENANCE SOLUTIONS, INC.

SCHEDULES TO STATEMENTS OF INCOME AND RETAINED EARNINGS (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

SCHEDULE 2 – OTHER INCOME AND (EXPENSES)

	2021	2020
Miscellaneous income	$ 50,712	$ 155,297
Miscellaneous (expense)	0	(14,428)
Gain (loss) on sale of fixed assets	0	(1,451)
Interest (expense)	(4,855)	(2,192)
Total other income and (expenses)	$ 45,857	$ 137,226

See accompanying notes and independent auditor's report.

STATE EFFECTIVE DATES

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

This Disclosure 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	~~May 7, 2024~~*Pending*
Washington	*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 L-1**~~

RECEIPT
~~**(Your Copy)**~~

~~RECEIPT FOR iNX® DISCLOSURE DOCUMENT~~

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

~~The franchisor is iNX Building Maintenance Solutions, Inc., located at 11150 West Olympic Blvd., Suite 1050 PMB 1067, Los Angeles, California 90064, Telephone (888) 832-6469.~~

If ~~we offer~~iNX Building Maintenance Solutions, Inc. offers you a franchise, ~~we~~it must provide this ~~Disclosure Document~~disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Iowa requires that we give you this disclosure document at the earlier of (i) the first personal meeting and (ii) 14 calendar days before the execution of any binding agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding agreement or the payment of any consideration that relates to the franchise relationship. New York requires that we give you this disclosure document at the earlier of (i) the first personal meeting and (ii) 10 business days before the execution of any binding agreement or the payment of any consideration that relates to the franchise relationship.

~~The franchisor and the name, principal business address and telephone number of each franchise seller offering the franchise are as follows:~~

If iNX Building Maintenance Solutions, 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 state agency listed on Exhibit A.

Franchisor:
iNX Building Maintenance Solutions, Inc.
~~11150 West Olympic Blvd., Suite 1050 PMB 1067~~
1001 Wilshire Blvd, #1430
Los Angeles, CA ~~90064~~90017
Tel. (888) 832-6469
franchiseinfo@teaminx.com

Franchise Sellers:
Paul D. Laredo
Aaron Laredo
Allison Laredo
~~Silvio Morales~~
~~Jotham Hatch~~

~~If we do not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on **Exhibit A**.~~

~~We authorize the agents listed in **Exhibit B** to this Disclosure Document to receive service of process for us.~~

Issuance Date: April 5, 2024, amended October 15, 2024.

~~On _____,~~ I received a ~~Disclosure Document~~disclosure document dated April 5, 2024, amended October 15, 2024, that included the following exhibits:

EXHIBITS

A: State Administrators

D: ~~Financial~~

B: Agents for Service of Process
C: Franchise Agreement
Schedule 1 ~~Personal Guaranty~~
~~Schedule 2~~ Franchise Information & Addresses for Notice
Schedule 2 Franchisee's Owners as of the Effective Date
Schedule 3 Personal Guaranty
Schedule 4 Spousal Consent

~~Schedule~~Schedule ~~4 List of Primary Owners~~ 5 ~~Defined Terms~~ Confidentiality and Non-Competition Agreement
Schedule 6 ~~Description of Territory and Business Population; Street Address of Franchise Office~~Collateral Assignment
Schedule 7 ~~Assignment of Telephone Numbers, Email Addresses; URLs~~
~~Schedule 8~~ Renewal Addendum
Schedule ~~9~~8Intellectual Property Rights - Terms of Use
~~Schedule 10 Confidentiality and Non-Competition Agreement~~

~~Statements~~State-Required Addenda
E: Promissory Note
F: ~~Mutual~~ General Release
G: Current Franchisees
H: Former Franchisees and ~~Event of~~ Transferred Franchises
I: Manual Table of Contents ~~for Brand Standards Manual~~
J: Financial Statements
~~J:~~ State ~~Addenda~~Effective Dates
~~K: [Intentionally Omitted]~~
~~L-1:~~ Acknowledgement of Receipt ~~(Your copy)~~
~~L-2: Receipt (Our copy)~~

_____

Date: _____ Signature ~~of Prospective Franchisee~~ : _____ Print Name ~~of Prospective Franchisee~~ :

~~**EXHIBIT L-2**~~

RECEIPT
~~**(Our Copy)**~~

~~RECEIPT FOR iNX® DISCLOSURE DOCUMENT~~

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

~~The franchisor is~~If iNX Building Maintenance Solutions, Inc.~~, located at 11150 West Olympic Blvd., Suite 1050 PMB 1067, Los Angeles, California 90064, Telephone (888) 832-6469.~~

~~If we offer~~ offers you a franchise, ~~we~~it must provide this ~~Disclosure Document~~disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Iowa requires that we give you this disclosure document at the earlier of (i) the first personal meeting and (ii) 14 calendar days before the execution of any binding agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding agreement or the payment of any consideration that relates to the franchise relationship. New York requires that we give you this disclosure document at the earlier of (i) the first personal meeting and (ii) 10 business days before the execution of any binding agreement or the payment of any consideration that relates to the franchise relationship.

~~The franchisor and the name, principal business address and telephone number of each franchise seller offering the franchise are as follows:~~

If iNX Building Maintenance Solutions, 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 state agency listed on **Exhibit A**.

Franchisor:
iNX Building Maintenance Solutions, Inc.
~~11150 West Olympic Blvd., Suite 1050 PMB 1067~~
1001 Wilshire Blvd, #1430
Los Angeles, CA ~~90064~~90017
Tel. (888) 832-6469
franchiseinfo@teaminx.com

Franchise Sellers:
Paul D. Laredo
Aaron Laredo
Allison Laredo
~~Silvio Morales~~
~~Jotham Hatch~~

~~If we do~~ not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on **Exhibit A**.

~~We authorize the agents listed in **Exhibit B** to this Disclosure Document to receive service of process for us.~~

Issuance Date: April 5, 2024, amended October 15, 2024.

~~On _____,~~ I received a ~~Disclosure Document~~disclosure document dated April 5, 2024, amended October 15, 2024, that included the following exhibits:

EXHIBITS

A: State Administrators

D: ~~Financial~~

B: Agents for Service of Process

C: Franchise Agreement

Schedule 1 ~~Personal Guaranty~~Franchise Information &
~~Schedule 2~~ Addresses for Notice

Schedule 2 Franchisee's Owners as of the Effective Date

Schedule 3 Personal Guaranty

Schedule 4 Spousal Consent

~~Schedule~~Schedule ~~4 List of Primary Owners~~ 5
~~Defined Terms~~ Confidentiality and
Non-Competition Agreement

Schedule 6 ~~Description of Territory and Business Population; Street Address of Franchise Office~~Collateral
Assignment

Schedule 7 ~~Assignment of Telephone Numbers, Email Addresses; URLs~~

~~Schedule 8~~ Renewal Addendum

Schedule ~~9~~8Intellectual Property Rights - Terms of Use

~~Schedule 10 Confidentiality and Non-Competition Agreement~~

~~Statements~~State-Required
Addenda

E: Promissory Note

F: ~~Mutual~~ General Release

G: Current Franchisees

H: Former Franchisees and
~~Event of~~ Transferred
Franchises

I: Manual Table of Contents ~~for Brand Standards Manual~~

J: ~~State Addenda~~Financial
Statements

~~K: [Intentionally Omitted]~~

~~L-1:~~

K: Acknowledgement of Receipt
~~(Your copy)~~

~~L-2: Receipt (Our copy)~~

Date: _____ Signature ~~*of Prospective Franchisee*~~ : ____ Print Name ~~*of Prospective Franchisee*~~ :

Document comparison by Workshare Compare on Thursday, October 24, 2024 13:17:42

Input:	
Document 1 ID	netdocuments://4891-7818-7688/3
Description	iNX - 2024 FDD Exhibits
Document 2 ID	netdocuments://4891-7818-7688/4
Description	iNX - 2024 FDD Exhibits
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	352
Deletions	342
Moved from	296
Moved to	296
Style changes	0
Format changes	0
Total changes	1286