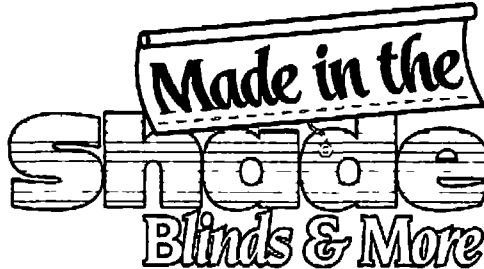


FRANCHISE DISCLOSURE DOCUMENT

Made in the Shade Blinds and More LLC,
a Texas limited liability company
2630 Rogers Fork
San Antonio, Texas 78258
(210) 479-6141
[http //madeintheshadeblinds.com](http://madeintheshadeblinds.com)
[https //www.facebook.com/MadeintheShadeSA](https://www.facebook.com/MadeintheShadeSA)

2017 APR 18 PM 12 19

DEPARTMENT OF
BUSINESS OVERSIGHT
SAN FRANCISCO



The franchise is for the establishment and operation of a business that specializes in the sale and distribution of window covering products ("MITS Business" or "Business")

The total investment necessary to begin operation of an MITS Business ranges from \$49,349 to \$51,799. This includes \$44,900 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Cathy Morse at 2630 Rogers Fork, San Antonio, Texas 78258 and (210) 479-6141.

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

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

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

Date of Issuance April 12, 2017

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Attachment A for information about the franchisor or about franchising in your state.

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

Please consider the following RISK FACTORS before you buy this franchise.

- 1 THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION ONLY AT THE AAA OFFICE NEAREST OUR PRINCIPAL PLACE OF BUSINESS IN SAN ANTONIO, TEXAS AND SUE US ONLY IN THE STATE OR FEDERAL JUDICIAL DISTRICT IN WHICH OUR PRINCIPAL PLACE OF BUSINESS IS LOCATED. OUT OF STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE AND LITIGATE WITH US IN TEXAS THAN IN YOUR OWN STATE.
- 2 THE FRANCHISE AGREEMENT STATES THAT TEXAS LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3 A FRANCHISEE WILL BE REQUIRED TO MAKE MINIMUM PRODUCT PURCHASES EACH YEAR. IF YOU FAIL TO ACHIEVE THE MINIMUM PERFORMANCE STANDARD, THE FRANCHISOR HAS THE RIGHT TO MODIFY THE SIZE OF THE TERRITORY OR TERMINATE THE FRANCHISE AGREEMENT. REFER TO ITEM 12 FOR COMPLETE DETAILS.
- 4 YOUR SPOUSE MUST SIGN A PERSONAL GUARANTEE MAKING YOUR SPOUSE INDEPENDENTLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT. THIS GUARANTEE MAY PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.
- 5 WE HAVE A LIMITED FRANCHISE OPERATING HISTORY TO ASSIST A PROSPECTIVE FRANCHISEE IN DECIDING TO MAKE THIS INVESTMENT. WE HAVE LIMITED FINANCIAL RESOURCES WHICH MIGHT NOT BE ADEQUATE TO FUND OUR PRE-OPENING OBLIGATIONS TO EACH FRANCHISEE AND PAY OPERATING EXPENSES.
- 6 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

See the following state effective date summary page for state effective dates

MADE IN THE SHADE BLINDS AND MORE LLC

STATE EFFECTIVE DATE SUMMARY PAGE

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

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates

California	-	Pending
Illinois	-	Pending
Indiana	-	Pending
Maryland	-	Pending
Michigan	-	Pending
Minnesota	-	Pending
New York	-	Pending
North Dakota	-	Pending
South Dakota	-	Pending
Virginia	-	Pending
Washington	-	Pending
Wisconsin	-	Pending

MICHIGAN

ADDENDUM TO DISCLOSURE DOCUMENT

1 The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

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

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

(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

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

3 **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

Michigan Attorney General
Consumer Protection Division – Franchise Section
G Mennen Williams Building
525 W. Ottawa Street
Lansing, Michigan 48933
(517) 373-1140

**MADE IN THE SHADE BLINDS AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT**

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor, Its Parent, Predecessors, and Affiliates

The Franchisor is Made in the Shade Blinds and More LLC, referred to in this disclosure document as “we,” “us” or “our.” We refer to the person interested in buying a franchise as “you” or “your.” If you are a corporation, partnership, limited liability company or other entity, certain provisions of the Franchise Agreement will apply to your owners. These will be addressed in this disclosure document where appropriate.

We were organized as a Texas limited liability company on May 1, 2012. Our principal business address is 2630 Rogers Fork, San Antonio, Texas 78258.

We do business under our corporate name and under the name the “Made in the Shade Blinds and More.” Our agents for service of process in the states which require franchise registration are listed in Attachment B.

We sell franchises for businesses that specialize in the sale and distribution of window covering products (“MITS Businesses” or “Businesses”). MITS Businesses do business under the name “Made in the Shade Blinds & More” and other trademarks identified in Item 13 (the “Marks”). Neither we nor our affiliates operate a MITS Business.

Prior to our formation, our principal operated a sole proprietorship under the d/b/a name, “Made in the Shade Blinds and More” (“MITS Predecessor”). MITS Predecessor operated from our current principal business address. We do not operate a MITS Business, but Joshua Morse, our General Manager, currently operates a sole proprietorship d/b/a Made In the Shade Blinds And More of San Antonio, that sells window covering products under the Marks in San Antonio. The current principal business address for this sole proprietorship is 18842 Rogers Pass, San Antonio, Texas 78258.

We began to offer franchises on January 31, 2013. From June 2004 through November 2012, MITS Predecessor contracted with dealers under dealership agreements that are different from the form of agreement described in this disclosure document. The dealerships for this type of business under the arrangement that was previously offered are no longer being offered. We refer to dealerships operating under those older agreements as “Pre-Existing Dealers” in this disclosure document. As of December 31, 2016, we no longer had any Pre-Existing Dealers in the United States. (See Item 20).

We are not engaged in any other businesses and have never offered franchises in any other lines of business.

Except as described above, we have no parent, predecessors or affiliates that have offered franchises in any line of business or that provide products or services to our franchisees.

The Franchise

We offer qualified applicants franchises for the right to operate MITS Businesses that specialize in the sale and distribution of window covering products (“Products”) in designated geographic areas (each, a “Territory”). A franchise operates from 1 business location (an “Office”) located within the Territory described in the Franchise Agreement under the Made in the Shade Blinds and More business system (the “System”) and the Marks.

The System includes specifications, policies and procedures for operations, quality of the products and services offered, procedures for sales, management and financial control, training and assistance, and advertising and promotional programs, all of which may be changed, improved, and further developed by us periodically. You must operate your MITS Business under the Marks and use other trade names, service marks, trademarks, logos, and other symbols we designate (or may later designate) in writing for use in the System.

We may require your current and future Principals (as defined in the Franchise Agreement) to sign a Principals' Guaranty and Assumption Agreement ("Guaranty"), guaranteeing your performance and binding themselves individually to certain provisions of the Franchise Agreement, including the covenants against competition and disclosure of confidential information, restrictions on transfer and dispute resolution procedures. Those of your Principals who are not required to sign the Guaranty will each sign a Confidentiality Agreement and Ancillary Covenants Not to Compete, with Principal undertakings, in the form attached to the Franchise Agreement. (See Item 15)

The Franchise Agreement gives you certain protections against the operation of other MITS Businesses in your Territory. (See Item 12.) The operation of your MITS Business in the Territory must be directly supervised by a person you designate as your "Operating Principal." Your Operating Principal is the main individual responsible for your business. If you are an individual, you will be the Operating Principal. If you are not an individual, you must designate someone who meets our requirements and whom we approve to be your Operating Principal. Your Operating Principal must have and maintain at least 10% ownership interest in you. Your Operating Principal will sign the Guaranty.

The person or entity signing the Franchise Agreement is the "Franchisee." In this disclosure document, the terms "Principals" and "Operating Principal" and "you" and "your" include the franchisee under the Franchise Agreement unless we have noted otherwise.

Competition

The market for window covering products is well-established and highly competitive. There is active price competition among general and specialty stores and other businesses that sell window covering products, as well as competition for management personnel and salespersons. You must expect to compete with other stores, dealership programs, and businesses offering window covering products. Competitors may be locally-owned or large regional or national chains. The window covering business is also affected by consumer taste, demographics, and economic conditions.

Industry Specific Regulation

You must comply with all laws, rules and regulations governing the operation of the MITS Business. Your state or locality may require you to obtain certain permits and licenses. You will be responsible for ensuring compliance with all requirements. You also will be required to comply with federal, state, and local laws applicable to businesses generally. You should consider these laws and regulations when evaluating your purchase of a franchise and should consult with your attorney, accountant, and local, county, state and federal government agencies.

ITEM 2

BUSINESS EXPERIENCE

Cathy Morse. Managing Member

Ms Morse has served as our Managing Member since our formation in May 2012 From August 1994 to May 2012, Ms Morse served as co-owner of MITS Predecessor

Joshua Morse: General Manager

Mr Morse has served as our General Manager since our formation in May 2012 Mr Morse currently operates a limited liability company that sells window covering products under the Marks in San Antonio and has operated that business since August 2004

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Item

ITEM 4

BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item

ITEM 5

INITIAL FEES

Initial Franchise Fee

When you sign the Franchise Agreement, you must pay us an initial franchise fee of \$44,900 The initial franchise fee grants you the right and license to use the Marks in connection with the MITS Business, initial product, marketing, and sales training, access to our manufacturer network utilizing volume purchasing power, ongoing assistance, initial inventory of sample Products, access to our participation with certain third-party customer financing programs, and other services The initial franchise fee is not refundable and is imposed uniformly on all franchisees

ITEM 6

OTHER FEES

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Royalty Fee for Non-Designated Supplier Products	5% of the price of the Manufacturer Product Purchases paid by you to non-designated suppliers that we approve	No later than the 5th day of each calendar quarter for the immediately preceding calendar quarter	You are not required to pay any royalty fee on Product purchases from designated suppliers. However, if we approve your purchase of Products from non-designated suppliers that we approve, we will require you to pay the royalty fee to us by any means we reasonably specify. See Note 2 for definition of Manufacturer Product Purchases.
Website Fee	\$99	No later than the 1st day of every month	This fee, currently payable to WebTegrity, LLC, is for the monthly premium web hosting, support, service, and daily backup for your Made in the Shade Blinds and More webpage that lists and promotes your franchised MITS Business on our national page and in your local market (See Item 8)
Local Marketing Fund	A minimum of 2% of gross sales	On demand	You must spend a minimum of 2% of gross sales of your MITS Business on local marketing. You must purchase items for local marketing from our approved or designated suppliers.

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Additional Inventory of Sample Products from Designated Suppliers	\$100 to \$200 per month or as needed	On demand	You will be provided an initial inventory of sample Products from designated suppliers as part of your initial franchise fee, thereafter, you will be required to maintain an adequate inventory of sample Products for use with prospective customers. You must purchase the additional inventory of sample Products from our approved or designated suppliers.
Interest	The lesser of 10% per year or the maximum lawful rate	On demand	We may charge interest on all overdue amounts.
Initial Training	\$750 per additional trainee	On demand	The fee for initial training for up to two attendees is included in the initial franchise fee. Any additional trainees will incur a fee of \$750 per additional attendee.
On-site Remedial Training	The then-current per diem fee for remedial training, plus costs. Our current per diem rate is \$250.	When billed	If you ask or if we believe it is appropriate, we will (subject to availability) provide trained representatives to conduct on-site remedial training in your Territory or at your Office.
Transfer Fee	\$7,500	With transfer application	This fee is for reimbursement of our legal and administrative costs associated with the transfer, for the initial training of the transferee, an initial inventory of sample Products for the transferee, and other services.

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Renewal Fee	\$2,500	Signing of renewal franchise agreement	This fee is for reimbursement of our legal and other administrative costs associated with renewal of your Franchise Agreement. You must give us at least 6 months' and not more than 9 months' notice to renew and meet other renewal conditions.
Inspection and Testing	Cost of inspection, if applicable, and cost of test	When billed	Before approving a non-designated supplier, we may require you to pay the cost of testing the supplier's products and inspecting its facilities.
Indemnification	Varies according to loss	On demand	You must indemnify us when certain of your actions result in loss to us.
Insurance Fee	A reasonable amount based on our expenses	On demand	If you fail to maintain the required insurance, we may (but need not) obtain it for you. If we do, we will charge you a fee, plus our expenses.
Enforcement Costs	Will vary	As incurred	You must pay our costs of enforcement (including attorney's fees and costs) if you do not comply with the Franchise Agreement.

Notes

(1) All fees and expenses described above are non-refundable and, unless otherwise indicated, are imposed uniformly by, and are payable to, us. Unless we have noted differently, we may increase these amounts based on changes in market conditions, our cost of providing services and future policy changes, but we have no present plans to increase any fees.

(2) Manufacturer Product Purchases is the total Product purchase price paid by you to designated and non-designated Product suppliers, excluding delivery fees, service fees, sales, use, merchants' or other taxes measured on the basis of the gross sales of your Business imposed by governmental authorities directly on sales or use and collected from customers, and cash refunds and credits.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount Low – High	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee ⁽¹⁾	\$44,900	Lump Sum	Execution of Franchise Agreement	Us
Initial Website Fee ⁽²⁾	\$99	Lump Sum	Within 15 days of completion of your official webpage	Supplier
Furniture, Fixtures, & Equipment ⁽³⁾	\$0 - \$1,000	As Arranged	Before Opening	Suppliers
Computer Hardware & Software ⁽⁴⁾	\$100 - \$2,000	Lump Sum	Before Opening	Suppliers
Office Supplies, Printing, and Stationary ⁽⁵⁾	\$50 - \$200	As Arranged	Before Opening	Suppliers
Insurance Deposit and Prepayment ⁽⁶⁾	\$400 - \$600	Lump Sum	Before Opening	Insurance Broker or Agent
Initial Training Expenses ⁽⁷⁾	\$500 - \$1,000	As Arranged	As Incurred	Employees and Suppliers
Professional Fees ⁽⁸⁾	\$1,000 - \$1,500	As Arranged	As Incurred	Attorney and Accountant
Licenses and Permits ⁽⁹⁾	\$300 - \$500	As Arranged	Before Opening	Government Agencies

Type of Expenditure	Amount Low – High	Method of Payment	When Due	To Whom Payment is to be Made
Additional Funds (for first 3 months of operation) ⁽¹⁰⁾	\$2,000 - \$5,000	As Arranged	After Opening	Various
TOTAL ⁽¹¹⁾	\$49,349 - \$51,799			

Notes:

- (1) See Item 5
- (2) See Item 8
- (3) You may operate your MITS Business from a home office. If you locate your office in your home, we require that you establish a space for the operation of your Business that is separate and distinct from your general living space. The estimate in the chart is for items such as a desk, chair, task lighting, waste-basket, land-line telephone handset, file cabinet and table for your printer-fax-scanner machine to be included in a home office. We do not specify the brand of furniture or fixtures that you must purchase. The lower end of the estimate contemplates that you presently have office furniture that you can use in your home office, and the high end of the estimate contemplates the purchase of office furniture. If you elect to establish your business in an office location other than your home, you may need additional furniture or fixtures that will increase your expenditure, and you will have rent deposit expenses and other expenses not contemplated in this chart.
- (4) This estimate is for the purchase of a computer, software, printer-fax-scanner, and other personal communications devices that we specify for the operation of your MITS Business (See Item 11).
- (5) This estimate is for the office supplies, such as paper, presentation folders, pens, pencils, printer ink, paper clips, stapler, file folders, note pads, stationery, business cards, etc., that you will need to operate your MITS Business. You will need. The low end of the estimate is for lower quality and quantity of supplies and the higher estimate represents a higher quality product and/or quantity of supplies.
- (6) You are required to obtain and maintain the minimum amount of insurance specified in Item 8 of this Franchise Disclosure Document. An insurance deposit may be required by the issuing company in order to obtain the minimum types and amounts of insurance as required. You will need to check with your local carrier for actual premium quotes and costs, as well as the actual cost of the deposit. The cost of coverage will vary based upon the area in which your business will be located, your experience with the insurance carrier, the loss experience of the carrier, and other factors beyond our control. You should also check with your insurance agent or broker regarding any additional insurance that you may wish to carry above our stated minimums.

- (7) We do not charge tuition or materials for the initial training, however you are responsible for all transportation, lodging and other costs associated with attending training. Your costs will vary, depending upon your point of origin, method of travel, class of accommodation, and living expenses (food, transportation, etc.). These estimates cover the cost of any transportation, accommodation and meals incurred during the training period for one person. The lower estimate in this range covers moderately priced travel expenses, while the higher estimate covers higher priced flights, rental car, and accommodations. Actual costs are based on the travel and accommodations chosen by you while attending training and may be higher or lower than what is estimated. Wages for your personnel while in training are not included. (See Item 11)
- (8) This estimate includes costs to engage legal and accounting professionals to advise you in the start-up of a MITS Business. We strongly recommend that you seek the assistance of an experienced franchise attorney and accountant for the initial review and resulting advisories concerning the legal requirements in your state and locality for the operation of this franchise opportunity, this Franchise Disclosure Document, and subsequently, the Franchise Agreement. It is also advisable to consult these professionals to review any other contracts that you will enter into as a part of starting your MITS Business. The estimated rates in this chart are based upon professional fees typically charged in the San Antonio, Texas area.
- (9) You are solely responsible for obtaining and maintaining all licenses and permits necessary to operate the MITS Business. The estimates in this Item 7 represent the costs experienced by our affiliate and the experience of our management in operating the business model contemplated in this Franchise Disclosure Document. We strongly recommend that you investigate all permit costs and requirements in your area before making the decision to become a MITS franchisee.
- (10) You will need additional funds during the start-up phase of your MITS Business to pay employees, purchase supplies and pay other expenses. We estimate the start-up phase to be 3 months from the date you open for business. These amounts do not include any estimates for debt service. These figures are estimates, and we cannot assure you that you will not have additional expenses. Your actual costs will depend on factors like your management skills, experience and business acumen. You should base your estimated start-up expenses on the anticipated costs in your market and consider whether you will need additional cash reserves.
- (11) This estimate is based upon our experience with Pre-Existing Dealers. Your costs may vary based on a number of factors including, but not limited to, the geographic area in which you open, local market and economic conditions, your sales skills and the time it takes to build sales of the business, the quality of any employees that you hire, and your skills at operating the business. We recommend that you use the categories and estimates in this Item 7 as a guide to develop your own business plan and budget and that you investigate specific laws, regulations and licensing requirements and associated costs of compliance in your area. You should review these figures carefully with your business advisor before deciding to acquire the franchise.

Unless otherwise stated above, these estimates are subject to increases based on changes in market conditions, our cost of providing services and future policy changes. At the present time, we have no plans to increase payments we control.

Unless otherwise stated, the amounts described above are not refundable

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases

You have no obligation to purchase or lease from us, our affiliates, or other designated third party suppliers any of the products, services, supplies, fixtures, equipment (including computer hardware and software), inventory or real estate used in establishing or operating the Business, except as follows

Additional Inventory of Sample Products

You will be provided an initial inventory of sample Products from designated suppliers as part of your initial franchise fee, thereafter, you are required to maintain an adequate inventory of sample Products for use with prospective customers. The additional inventory of sample Products will be provided to you by us, our affiliate, or designated third parties for a reasonable fee.

MITS Website Listing

You are required to pay a monthly website fee for premium website hosting, support, service, and daily backup to WebTegrity, LLC in San Antonio, Texas for the creation and maintenance of a website dedicated to your MITS Business. (See Item 6) The website will contain certain information relating to and promoting your MITS Business.

Marketing Materials

You are required to spend 2% of gross sales of your MITS Business for local advertising. You must purchase items for local marketing for a reasonable fee from our in-house supplier, Normandy Resources, or our other approved or designated suppliers.

Approved Products List and Designated Suppliers

We will provide you with an Approved Products List containing the Products approved by us for sale and which you must offer to customers of your MITS Business. The Approved Products List includes various kinds and styles of shades, blinds, shutters and drapery hardware. We will update the Approved Products List periodically and provide you with the updated list. We will, in our discretion, determine the brands and styles of Products and related accessories included on the Approved Products List.

You must order Products from the Approved Products List from the suppliers we designate on terms agreed upon by the supplier and us. You must place the purchase order directly to the supplier in accordance with the Manual or other written directives. You must promptly pay the manufacturer's or supplier's invoices in accordance with their terms. Suppliers may require you to pre-pay for your inventory. We do not guarantee the availability of any of the items on the Approved Products List or that your Business will be able to offer for sale any particular brand of window covering or other product.

If you want to offer other Product brands or items that are not on the Approved Products List, you must submit to us a written request for approval in writing. We will approve or disapprove your request within 20 days from the date we receive your request. We may approve or disapprove your request in our sole discretion. We do not disclose our criteria for approving requests to our franchisees. Generally speaking, however, we will evaluate a request for approval and make our decision based on whether the proposed item meets our standards and specifications and other criteria, including quality, style, image and price. We do not charge you a fee for making our decision, but if we approve your sale of Products that are not on the Approved Products List and from designated suppliers, you will be required to pay a 5% royalty fee on those purchases. (See Item 6)

Approved Suppliers

In addition to the above, if we have approved suppliers (including manufacturers, distributors and other sources) for any inventory, fixtures, furnishings, and equipment, you must obtain these items from those suppliers. Approved suppliers are those who demonstrate the ability to meet our then-current standards and specifications for inventory, fixtures, furnishings, equipment and other items used or offered for sale in the MITS Businesses and who possess adequate quality controls and the capacity to supply your needs promptly and reliably, whom we have approved in writing and whom we have not later disapproved. We may change the number of approved suppliers at any time and may designate ourselves, an affiliate, or a third party as the exclusive source for any particular item. We will profit from your purchases from designated and other suppliers, and we and/or our affiliates will receive certain rebates, payments, fees, allowances, commissions and/or reimbursements from such suppliers in respect of your purchases.

Neither we nor our affiliates are currently approved suppliers of Products for our franchisees, but we may, in our sole discretion, require supplies and items to be purchased exclusively from us or our affiliates or from approved suppliers or distributors. We may derive revenue based on your purchases (including from charging you for products and services that we or our affiliates provide to you and from payments made to us or our affiliates by suppliers that we designate or approve).

If you wish to purchase, lease or use any products, services, or other items from an unapproved supplier, you or your supplier must submit to us a written request for approval and we shall notify you in writing within 30 days of your request whether your request was approved or disapproved. If we fail to notify you, such failure shall be deemed that your request was disapproved. You must not purchase or lease the item from the supplier until and unless we have approved the supplier in writing. We have the right to require you to submit information, specifications and samples to us to enable us to determine whether the item complies with our standards and specifications and that the supplier meets our criteria. We also have the right to inspect the supplier's facilities, and to have samples from the supplier delivered to us or to an independent laboratory we designate for testing. We may condition our approval of a supplier on requirements relating to product quality, prices, consistency, reliability, financial compatibility, labor relations, client relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints) or other criteria. We may re-inspect the facilities and products of any approved supplier, and may revoke our approval upon the supplier's failure to continue to meet any of our then-current criteria. If we revoke our approval of any supplier, you must promptly discontinue use of that supplier. You must reimburse us for the costs that we incur in the supplier approval process. We are not required to approve any particular supplier. Our specifications for products and criteria for supplier approval are generally issued through written communications and are available to franchisees and approved suppliers.

None of our officers owns an interest in any privately-held suppliers, or a material interest in any publicly-held suppliers, of the Made in the Shade Blinds and More franchise system. From time to time, our officers may own non-material interests in publicly-held companies that may be suppliers to our franchise system.

There are currently no purchasing or distribution cooperatives.

Purchases According to Specifications

You must comply with all of our standards and specifications relating to the purchase of all Products, fixtures, furnishings, equipment (including computer hardware and software) and other products used or offered for sale in the Business. We formulate our standards and specifications based on a variety of factors, including our experience in licensing the System and the Marks. In addition, the following must comply with our specifications:

Advertising and Promotional Materials

All of your advertising and promotions must conform to our standards and requirements. We must approve all advertising and promotional plans and materials before you use them if we have not prepared them or previously approved them during the 12 months preceding the date of their proposed use. You must submit any unapproved plans and materials to us, and we will approve or disapprove them within 20 days after we receive them. You must not use the plans or materials until we have approved them, and must promptly discontinue using any advertising or promotional plans or materials, whether or not we have previously approved them, if we notify you to do so.

Insurance

You must obtain and maintain insurance policies protecting you and us and various related parties against any demand or claim with respect to personal injury, death or property damage, or any loss, liability or expense related to or connected with the operation of the MITS Business. These policies must be written by a responsible insurance carrier or carriers satisfactory to us and in accordance with our standards and specifications for insurance coverage.

Vehicles

Vehicles are not required for the operation of a MITS Business but any vehicle you use in the operation of the Business must meet our image and standards. You must place the signs and other decor items we require on the vehicle and keep it clean and in good working order at all times. You cannot permit anyone to operate the vehicle who is under 18 years old or who does not have a valid driver's license in the state in which the Business is located. You must require each vehicle operator to comply with all laws, regulations and rules of the road and use due care and caution in operating and maintaining the vehicle.

Purchasing Arrangements

Unless we otherwise grant you our approval in writing, you must purchase and offer for sale to customers of the MITS Business only such Products that are on the Approved Products List and from designated suppliers. We will receive certain rebates, payments, fees, allowances, commissions and/or reimbursements from the designated suppliers in respect of your Product purchases.

We attempt to negotiate with designated suppliers volume purchasing arrangements in which we seek to promote the overall interests of our franchise network and our interests as the franchisor. Our typical arrangement with designated suppliers provides for a 3% to 5% rebate to us from the manufacturers based on your Product purchases from the designated suppliers. For our fiscal year ending December 31, 2016, we received a total of \$99,632 in rebates from manufacturers based on Product purchases, \$98,099 of which was derived from purchases by our franchisees.

Neither we nor our affiliates had any revenues from the sale of products or services to franchisees in our last fiscal year ending December 31, 2016.

We will not provide material benefits to you based upon your use of designated or approved suppliers. Your obligations to purchase or lease goods, services, supplies, fixtures, equipment, inventory, and computer hardware and software from us or our designee, from suppliers we approve, or under our specifications are all considered "required purchases." We describe these obligations in detail in the preceding sections of this Item 8. The magnitude of required purchases in relation to all purchases you make to establish and operate the Business is difficult to determine due to the highly variable nature of expenditures necessary to establish and operate the Business as described in Item 7. We estimate that your total initial required purchases will be about 95% of the cost of your initial purchases or leases. We estimate your required purchases for the operation of the Business will be 95% or more of your annual purchases or leases. The majority of these required purchases will be from designated suppliers.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Franchise Agreement	Disclosure Document Item
a Site selection and acquisition/lease	N/A	N/A
b Pre-opening purchases/leases	Sections 6, 7 and 10	Items 5, 6, 7, 8 and 11
c Site development and other pre-opening requirements	N/A	N/A

Obligation	Section in Franchise Agreement	Disclosure Document Item
d Initial and ongoing training	Sections 4 H and 6 K	Items 6, 7 and 11
e Opening	Section 1 E and Attachment C	Items 7 and 11
f Fees	Section 3	Items 5 and 6
g Compliance with standards and policies/Manuals	Sections 2, 5, 6, 7, 8, 9, and 10	Items 8, 11, 14 and 16
h Trademarks and proprietary information	Sections 8 and 9 and Attachment B	Items 11, 13 and 14
i Restrictions on products/services offered	Section 5	Items 8 and 16
j Warranty and customer service requirements	Section 6	Item 16
k Territorial development and sales quotas	Section 1 D	Item 12
l Ongoing product/service purchases	Sections 6 and 7	Items 8, 11 and 16
m Maintenance, appearance and remodeling requirements	Section 6	Item 8
n Insurance	Section 10	Items 7 and 8
o Advertising	Section 7 of the Franchise Agreement	Items 6, 8 and 11
p Indemnification	Section 13	Item 6
q Owner's participation/management/staffing	Section 5	Items 1, 11 and 15
r Records and reports	Sections 3 and 7	Item 11
s Inspections and audits	Sections 7 and 8	Item 11

Obligation	Section in Franchise Agreement	Disclosure Document Item
t Transfer	Section 12	Items 6, 12 and 17
u Renewal or extension of rights	Section 2	Items 6, 12 and 17
v Post-termination obligations	Section 16	Item 17
w Noncompetition covenants	Section 9 and Attachment B	Item 17
x Dispute resolution	Sections 17 F and G	Item 17

ITEM 10

FINANCING

We are not obligated to provide you with any financing. We may offer you financing based on several factors including your financial need, your credit history, your ability to repay, your net worth, your stability, the strength of your business plan, as well as our need for the development of your market area. We may require you to furnish us with financial statements, tax returns, and other documents. We will not offer financing if you have used the services of a franchise broker or consultant whom we must pay a commission or other fee.

The terms of financing are limited to covering a portion of the initial franchise fee (see Item 5). We may finance up to \$20,000.00 which accrues interest at the rate of 8% per annum to be repaid within a term of 24 months. You would be required to execute a Promissory Note attached to this Disclosure Document as Exhibit G requiring payment of equal monthly installments of principal and interest and a Security Agreement attached as Exhibit H. The Security Agreement pledges all of your inventory, equipment, appliances, furnishings, fixtures, intellectual property rights and leasehold interests now or hereafter acquired in or for your MITS Business and Office as collateral for us. We may require your spouse's personal guaranty on the Promissory Note. You may prepay the Promissory Note without any prepayment penalty.

If you fail to pay a monthly installment under the terms of the Promissory Note, we may charge a late fee equal to ten (10%) percent of the installment amount not then paid, accelerate payment of the entire debt, and pursue our remedies under either the Promissory Note or Security Agreement. You will also be obligated to pay our reasonable attorney's fees and costs and all court costs for engaging in the collection process.

A default under the Promissory Note constitutes a default under the Franchise Agreement for which we may terminate the Agreement if the default is not cured within 30 days after our written notice to you. The Promissory Note requires you to waive certain defenses including demand, presentment, presentment for payment, notice of intent to demand, notice of nonpayment, notice of dishonor, diligence

in collecting, grace, notice (including notice of intent to accelerate and notice of acceleration) and protest. It is not our practice or intent to sell, assign, or discount all or any part of the financing to a third party.

Other than the financing disclosed above, neither we nor any agent or affiliate of ours offers direct or indirect financing to you, guarantees any note, lease or obligation of yours.

ITEM 11

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

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

Pre-Opening Obligations Before you open your Business we will

1 Provide you with access to 1 set of our Manuals, either in paper or electronic form (Franchise Agreement, Section 4 A)

2 For a reasonable fee based on our reasonable costs, provide you with any software programs that we acquire or develop for use in the System, however, we are under no obligation to develop or acquire any such software programs (Franchise Agreement, Section 4 B)

3 For a reasonable fee based on our reasonable costs, provide you with certain advertising and promotional materials we have developed (if any) for use by franchisees in marketing and advertising the System (Franchise Agreement, Section 4 C)

4 Provide you with an Approved Products List and a list of designated suppliers (Franchise Agreement, Section 4 E)

5 Provide you with an initial inventory of sample Products from designated suppliers (Franchise Agreement, Section 4 F)

6 Conduct an initial training program (Franchise Agreement, Section 4 G)

Site Selection and Typical Length of Time Before You Open Your MITS Business

You must operate your MITS Business from an Office that is located within your Territory. Your Office may be located in your home, but it must be separate and distinct from your living space and be dedicated to your MITS Business. The Office location will be listed in Attachment C to the Franchise Agreement. If you have not selected a location for your Office at the time that we sign the Franchise Agreement, you and we will amend Attachment C to the Franchise Agreement to reflect the address of your Office when the location of your Office is determined. The Territory will be determined and described in Attachment C to the Franchise Agreement before you sign it. We are not required to assist you in selecting a site for an Office. You must notify us in writing of any change in your Office location before your Office is relocated. Our only requirements with respect to your Office are that it must be in the Territory and that any signage that you use at your Office meet our standards and specifications. We do not otherwise have approval rights with respect to the location of your Office. If you do not locate a

site and open your Office and Business within 60 days of signing the Franchise Agreement, you will be in default, and we can terminate your Franchise Agreement (Franchise Agreement, Sections 1 E and 15 C (2)) The typical length of time between the signing of the Franchise Agreement and the opening of your Business is approximately 30 to 60 days Factors that may affect this period may include whether you have an office furnished when you sign the Franchise Agreement, your ability to meet local requirements, attend and complete the initial training, and other factors

Continuing Obligations During the operation of your Business, we will

1 Give you any advice and written materials we may develop on the techniques of managing and operating MITS Businesses (Franchise Agreement, Section 4 D)

2 Give you an updated Approved Products List and a list of designated suppliers as we deem appropriate (Franchise Agreement, Section 4 E)

3 Provide additional training programs at our option and remedial training as we deem it to be necessary (Franchise Agreement, Sections 4 G and H)

4 Provide you with access to our proprietary software programs (if any) as may be developed by us or on our behalf for use in the System Currently, there is no software license fee although we reserve the right to charge a reasonable license fee in the future (Franchise Agreement, Section 4 B)

5 For a reasonable fee, provide you with certain advertising and promotional materials we have developed (if any) for use by franchisees in marketing and advertising the System (Franchise Agreement, Section 4 C)

Advertising

You must participate in all advertising and sales promotion programs that we may authorize or develop for MITS Businesses You must participate in, and comply with the requirements of, any gift card, gift certificate, customer loyalty or retention programs that we implement for all or part of the Made in the Shade Blinds and More franchise system and sign the forms and take the other action we require for you to participate in these programs (Franchise Agreement, Section 7 A)

We will periodically provide you advertising and marketing materials in quantities we deem appropriate and for a reasonable fee (Franchise Agreement, Section 4 C)

All advertising and promotion by you must be conducted in a dignified manner and conform to our standards and specifications You are required to obtain our approval of all advertising and promotional plans and materials, including those placed on the Internet, prior to use if the plans and materials have not been prepared or previously approved by us during the previous 12 months We will approve or disapprove your plans and materials within 20 days after receiving them If we do not respond to your request for approval within the 20-day period, the materials or plans will be deemed approved by us You are not permitted to use any unapproved plans or materials until they have been approved or deemed approved by us, and you must promptly discontinue use of any advertising or promotional plans or

materials, whether or not previously approved or deemed approved, upon notice from us (Franchise Agreement, Section 7 B)

You may advertise your MITS Business and use the Marks on any social media such as Facebook, Twitter, LinkedIn, YouTube, MySpace, Pinterest, and Instagram, provided you obtain our prior written approval

You are required to spend an amount equal to or greater than 2% of your Business's gross sales on local advertising in each calendar year. You will be required to submit to us such forms, reports, records, information and data regarding your local advertising expenditures as we may reasonably designate (Franchise Agreement, Section 7 C)

Neither you nor us are required to participate in, or spend additional funds on, specific advertising or sales promotion programs in your Territory. You must use your best efforts to actively sell the Products and promote the Business in your Territory. We do not currently have an advertising council, and you are not required to participate in any local or regional advertising cooperatives. We do not currently conduct an advertising program in which you must contribute. We may establish such programs including a national marketing fund and if we do, you must participate.

Computer and Electronic Cash Register Systems

You must install and maintain a functioning personal computer that has a high-speed modem that permits you to connect to the Internet and to transmit and receive e-mail. Other than this requirement, we do not currently have any additional specifications or requirements for your computer system.

We estimate that the cost of the computer system will be approximately \$100 to \$2,000 depending on your personal preferences. (See Item 7)

We do not require you to install or operate any electronic cash register systems.

Neither we, our affiliates, nor any third parties have independent access to your computer system nor are we required to provide ongoing maintenance, repairs, upgrades, or updates to your computer system. There are currently no optional or required maintenance/upgrade contracts for the computer system.

You must maintain a high-speed Internet connection (with e-mail capability).

You must install any other hardware or software for the operation of the Business that we may require in the future, including any enhancements, additions, substitutions, modifications, and upgrades. Specifically, we may require that you install and maintain systems that permit us to independently access and retrieve electronically any information stored in your computer systems, including information concerning your Business's gross sales, at the times and in the manner that we may specify periodically. There is no contractual limitation on the frequency or cost of these obligations, other than that your costs will be reasonable in our opinion. We may also require you to license from us, or others we designate, any computer software we develop or acquire for use by MITS Businesses.

Confidential Operations Manuals

After you sign the Franchise Agreement and when you begin initial training, we will provide you with access to a copy of our Manuals either in electronic or paper form. A copy of the table of contents of the Manuals is attached as Exhibit F. We consider the contents of the Manuals to be proprietary, and you must treat them as confidential.

Training

Before the opening date of your Business, your Operating Principal must have attended and completed to our satisfaction our initial management training program (Franchise Agreement, Section 6 K). The fee for initial training for up to two attendees is included in the initial franchise fee. Any additional trainees will incur a fee of \$750 per additional attendee.

Currently, the initial training is conducted in San Antonio, Texas. We provide instructors and training materials at no charge, but you must pay all expenses you and your personnel incur in initial training, including costs of travel, lodging, meals and wages. We may charge a reasonable training fee for training all successor or replacement personnel (Franchise Agreement, Section 6 K).

The initial training program is administered and directed by Cathy Morse, who has more than 30 years' experience in the home interiors industry, 20 years' experience in the window covering industry, 10 years' experience as the national trainer for MITS Predecessor, and 3½ years' experience as the national trainer for us. Ms. Morse is assisted by Matt Houston who has 3½ years' experience as a national trainer for us. From time to time, training may also be conducted by other members of our staff or other authorized training vendors that have experience relevant to using materials in their individual product lines.

The initial training program is offered as needed during the year depending on the number of new franchisees entering the System, the number of other personnel needing training, and the scheduled opening of new MITS Businesses. Initial training generally lasts approximately 5 days. The subjects covered and other information relevant to our initial training program are described below.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-job Training	Location
Products Training	10	0	San Antonio, Texas
Marketing of the MITS Business	2 5	0	San Antonio, Texas
The Sales Presentation and How to Measure	3 5	0	San Antonio, Texas
Basic Installation	1	0	San Antonio, Texas
Providing Price Quotes and Calculating Profit Margins	1	0	San Antonio, Texas
Submitting Orders and Closing Sales	1	0	San Antonio, Texas
Vendor Product Training	9	0	San Antonio, Texas
Goal Setting and Next Steps	2	0	San Antonio, Texas
TOTAL	30	0	

The materials used in training include the Manuals as well as other presentation materials, including PowerPoint presentations, videos, handouts, "How-To" booklets, and hands-on training. Our initial training program is subject to change without notice to reflect updates in the materials, methods and manuals and changes in personnel. The subjects taught and the time periods allocated for each subject may vary based on the experience of the trainees.

We may require your Operating Principal to attend additional training programs. Currently, we do not charge a fee for additional training programs although we reserve the right to charge a reasonable fee for these additional training programs in the future. You must pay all expenses you or your personnel incur in any training program or seminar, including the cost of travel, lodging, meals and wages (Franchise Agreement, Section 6 K).

ITEM 12

TERRITORY

If you are in compliance with the Franchise Agreement and all other agreements between you or your Affiliates and us or our Affiliates, and except as described below, during the term of the Franchise Agreement, you will receive an exclusive territory in that we and our Affiliates will not establish or authorize anyone except you to establish a MITS Business in the Territory.

Your Territory will be delineated by specific geographic boundaries. These may be municipal or county boundaries, or the boundaries corresponding to postal zip codes or a specified trade area within a municipality or county. The area of a Territory is generally comprised of approximately 150,000 people, the boundaries of which typically correspond to U.S. Postal Service zip codes. The actual size of the Territory will vary depending upon the availability of contiguous markets, our long range plans, your

financial and operational resources, and market conditions. A written description of the Territory will be inserted in Attachment C to the Franchise Agreement before you sign. The boundaries used to define the Territory will be geographic boundaries as configured on the effective date of the Franchise Agreement.

To maintain your territorial rights, you will be required to make at least \$55,000 in Manufacturer Product Purchases in each Agreement Year (as defined in Attachment E of the Franchise Agreement) (the "Minimum Performance Standard"). If you fail to achieve the Minimum Performance Standard in any Agreement Year, we will have the right to modify or reduce the size of your Territory in our sole discretion. Your failure to achieve the Minimum Performance Standard in 2 or more Agreement Years (whether or not such Agreements Years are consecutive) will be a default for which we may, in our discretion, further modify or reduce the size of your Territory or terminate the Franchise Agreement immediately upon written notice and without providing you any right to cure.

The Franchise Agreement gives you the right to operate the MITS Business only from the Office location specified in Attachment C to the Franchise Agreement. You must notify us in writing before you relocate your Office. Our only requirements with respect to your relocated Office are that it must be in the Territory and that any signage that you use at your relocated Office meet our standards and specifications. We do not otherwise have approval rights with respect to the relocation of your Office. You are prohibited from sublicensing your rights to others and from assigning or delegating your rights and obligations to operate your MITS Business without our prior written consent.

Additionally, we, our affiliates, and any other authorized person or entity will have the exclusive right, among others, without any compensation to you, (i) to operate, and license others to operate, MITS Businesses at any location outside the Territory, (ii) within and outside the Territory to offer and sell, and license to others to offer and sell, any similar or dissimilar products and services, using the Marks or other names or marks, however, we will not grant licenses to others to operate business systems within the Territory that offer window covering products, (iii) to advertise and promote the System in the Territory, and (iv) except for the restrictions on operating or licensing others to operate MITS Businesses within the Territory as described above, to engage, directly or indirectly, at wholesale, retail or otherwise, in the production, distribution, license and sale of any and all services and products, including window covering products under the Marks or under other names or marks, within and outside the Territory, through any method of distribution, including, but not limited to, the Internet, catalog sales, telemarketing or other direct marketing, regardless of the competitive impact on your MITS Business.

You may not market, solicit, accept orders, or sell any services outside your Territory by any means including the Internet, catalog sales, telemarketing, or other direct marketing, without our prior written consent.

We do not grant franchisees any options, rights of first refusal or similar rights to acquire additional Made in the Shade Blinds and More franchises for any other territories.

You may use the Internet to advertise on the MITS website only in compliance with the Franchise Agreement.

ITEM 13

TRADEMARKS

The Franchise Agreement gives you a license to operate a MITS Business under the mark “Made in the Shade Blinds & More” and to use any future Marks we authorize

The following Mark has been registered with the U S Patent and Trademark Office (PTO) and is owned by us We have renewed the registration and intend to file all appropriate affidavits at the appropriate times required by law

MARK	REGISTER	REGISTRATION NUMBER	REGISTRATION DATE
MADE IN THE SHADE BLINDS & MORE	Principal	3229433	April 17, 2007

There is no presently effective determination of the PTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, nor any pending infringement, opposition, or cancellation proceeding, nor any pending material litigation involving the Marks which are relevant to the Mark’s ownership, use or licensing

We know of no superior prior rights or infringing use that could materially affect your use of the Marks

Our rights to the Marks and the proprietary System know-how are derived from a nonexclusive perpetual license (the “Intercompany License”) between us and Ms Morse dated January 31, 2013 The Intercompany License grants us the right to use the Marks and the proprietary information related to the System, such as the know-how and the Manuals, for the purpose of licensing them to our franchisees and fulfilling our obligations under the Franchise Agreement The Intercompany License is terminable only for material breach of the Intercompany License agreement and only if we do not cure or begin to cure the breach within 90 days after notice We know of no other agreements currently in effect which significantly limit our rights to use or license the use of the Marks in any manner material to you

We are not obligated to protect your rights to use the Marks or to protect you against claims of infringement or unfair competition We are not obligated to participate in your defense and/or indemnify you for expenses or damages if you are party to an administrative or judicial proceeding involving the Marks if the proceeding is resolved unfavorable to you

You must immediately notify us of any infringement of the Marks or of any challenge to the use of any of the Marks or claim by any person of any rights in any of the Marks You and your Principals must agree not to communicate with any person other than us, any designated affiliate and our or their counsel about any infringement, challenge or claim We or our affiliates have sole discretion to take any action we deem appropriate and the right to exclusively control any litigation, or PTO (or other) proceeding, from any infringement, challenge or claim concerning any of the Marks You must sign all instruments and documents and give us any assistance that, in our counsel's opinion, may be necessary or advisable to protect and maintain our interests or those of our affiliates in any litigation or proceeding or to otherwise protect and maintain our or their interest in the Marks

You may not use any of the Marks as part of your corporate, LLC, or other entity name. You must also follow our instructions for identifying yourself as a franchisee and for filing and

maintaining the requisite trade name or fictitious name registrations. You must sign any documents we or our counsel determine are necessary to obtain protection for the Marks or to maintain their continued validity and enforceability. Neither you nor your Principals may take any action that would prejudice or interfere with the validity of our rights with respect to the Marks and may not contest the validity of our interest in the Marks or assist others to do so.

We have the right to substitute different trade names, service marks, trademarks and indicia of origin for the Marks if the Marks can no longer be used, or if we determine, in our sole discretion, that the substitution will be beneficial to the System. If we do, we may require you to discontinue or modify your use of any Mark or use one or more additional or substitute Marks at your expense.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents, and do not have any pending patent applications, that are material to the franchise. We do claim copyright protection and proprietary rights in the original materials used in the System, including our Manuals, bulletins, correspondence and communications with our franchisees, training, advertising and promotional materials, and other written materials relating to the operation of MITS Businesses and the System.

There is no presently effective determination of the U.S. Copyright Office (Library of Congress) or any court affecting our copyrights. There is no currently effective agreement that limits our right to use and/or license our copyrights. We are not obligated by the Franchise Agreement, or otherwise, to protect any rights you have to use the copyrights. We have no actual knowledge of any infringements that could materially affect the ownership, use or licensing of the copyrights.

We treat all of this information as trade secrets and you must treat any of this information we communicate to you confidentially. You and your Principals must agree not to communicate or use our confidential information for the benefit of anyone else during and after the term of the Franchise Agreement. You and your Principals must also agree not to use our confidential information at all after the Franchise Agreement terminates or expires. You and your Principals can give this confidential information only to your employees who need it to operate your MITS Business. You must have your any of your personnel who have received or will have access to our confidential information sign similar covenants. (See Item 15)

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

When you sign the Franchise Agreement, you must designate an individual to serve as your "Operating Principal." If you are an individual, you will be the Operating Principal. The Operating Principal must be the same person for all Businesses that you or your affiliate operates. If you are not an individual, your Operating Principal must maintain a direct or indirect ownership interest in you of not less than 10%, unless we consent otherwise. This interest may not be pledged, mortgaged, hypothecated, or be subjected to any lien, charge, or encumbrance, voting agreement, proxy, security interest or purchase right or option, without our consent.

Your Operating Principal is not required to devote his or her full time to the operation of the Business, but your Operating Principal must use his or her best efforts to actively sell the Products and

promote the Business. He or she must satisfy our training requirements and our other standards and must guaranty your performance under the Franchise Agreement. Your Operating Principal will be individually, jointly and severally bound by all of your obligations and the obligations of the Operating Principal and a Principal under the Franchise Agreement (See Item 1).

You must notify us promptly if your Operating Principal cannot continue to serve or no longer qualifies as your Operating Principal. You will have 30 days from the date of the notice (or from any date that we independently determine the Operating Principal no longer meets our standards) to take corrective action. During that 30 day period, you must provide for interim management of your operations in compliance with the Franchise Agreement.

At our request, you must have your Business managers and other personnel that we designate and who will have access to our training, sign covenants not to compete and to maintain the confidentiality of information they have access to through their relationship with you (See Item 14). These covenants will be in substantially the form of Attachment B to the Franchise Agreement. Those of your Principals who are not signing the Guaranty also must sign these covenants. If you are an individual, your spouse must sign a personal guaranty, making your spouse jointly and severally liable for your obligations. We have the right, in our sole discretion, to decrease the period of time or geographic scope of the noncompetition covenants or eliminate the noncompetition covenant altogether for any person who must sign an agreement described in this paragraph (See Item 17).

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

All products you use or sell in your Business must conform to our standards and specifications (See Item 8). These are described in our Manuals and other writings, including the Approved Products List. You must not deviate from our standards and specifications unless we first give you our written consent. You must also comply with all applicable laws and regulations and secure all appropriate governmental approvals for the Business.

You must offer and sell all items, products and services we require, including those on the Approved Products List. You must sell only the items, products and services that we have expressly approved in writing. You must stop selling any items, products or services that we disapprove in writing. We may change the types of items, products and services we require franchisees to offer and sell at any time in our discretion. You must display all items in the manner described in our Manuals or other written instructions. You must not use or offer nonconforming items, unless we first give you our written consent. You must not sell or market products or services outside of your Territory unless we consent in writing. The products and services to be offered in your Business may be supplemented, improved or otherwise modified by us periodically. You must actively operate the Business during the times that we specify in the Manual or otherwise in writing.

We do not guarantee the availability of any of the items on the Approved Products List or that your Business will be able to carry any particular brand of window covering or other product.

We reserve the right, to the fullest extent allowed by applicable law, to establish maximum or other pricing requirements with respect to the prices you may charge for products or services.

You may not advertise, promote, post or list information relating to the Business on the Internet (through the creation of a website or otherwise), with the exception of the listing and promotion of your

Business on the MITS website that we approve. You may not use the Marks as part of any domain name, web address or e-mail address unless we have approved of such use in writing in advance.

You must participate in any special sales or other promotional programs we require generally for MITS Businesses, including joint advertising and promotional programs.

Although you are only granted the right to operate a MITS Business in the Territory, you must use the method, manner and style of distribution that we may in the future prescribe in writing, in the Manuals or otherwise. You must comply with the terms of any distribution program and sign any documents or instruments that we require.

We do not impose any other restrictions in the Franchise Agreement or otherwise on the goods or services that you may offer or on sell or the customers to whom you may offer or sell.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
a Length of the franchise term	Section 2 A	10-year initial term
b Renewal or extension of the term	Section 2 B	2 consecutive 5-year periods
c Requirements for franchisee to renew or extend	Section 2 B	Your renewal right permits you to remain as a franchisee after the initial term of your franchise agreement expires. However, to remain a franchisee, you must meet all required conditions to renewal, including signing our then-current form of franchise agreement, which may be materially different than the form attached to this disclosure document. Other conditions include: you must give written notice, you must update required items, you are not be in default, you must pay all money owed,

Provision	Section in Franchise Agreement	Summary
		you must pay us a renewal fee, you must sign general release, you must comply with then-current qualifications and training requirements
d Termination by franchisee	Not Applicable	Not Applicable
e Termination by franchisor without cause	Not Applicable	Not Applicable
f Termination by franchisor with "cause"	Section 15	We may terminate on your default
g "Cause" defined – curable defaults	Section 15 D	For any default except those specified as noncurable you have 30 days to cure (5 days for failure to submit a required report or pay monies, 24 hours for misuse of the Marks, 7 days if you fail to obtain the required insurance coverages, 10 days if you fail to comply with the noncompetition covenants, 10 days if you fail to pay any amount due and owing any creditor)
h "Cause" defined – non-curable defaults	Sections 15 B and 15 C	Insolvency, general assignment for benefit of creditors, bankruptcy, receivership, final judgment remains unsatisfied for 30 days or more, dissolution, execution of levy or sale after levy, foreclosure proceedings not dismissed within 30 days, operation of Business outside of the Territory, failure to begin business within the required time period, abandonment or forfeiture of right to do business, conviction of certain crimes, unauthorized transfer, failure to comply with certain confidentiality covenants, false reports, breach of any covenants or false representations or material misstatements or omissions, failure to comply with quality assurance program, default of any other franchise agreement, repeated defaults whether or not cured, and failure to achieve the

Provision	Section in Franchise Agreement	Summary
		Minimum Performance Standard in 2 or more Agreement Years (whether or not such Agreement Years are consecutive)
i Franchisee's obligations on termination/nonrenewal	Section 16	Stop operating the Business and using the System's confidential methods, procedures, techniques and marks, cancel any registration containing the Marks, pay amounts due and our damages and enforcement costs, comply with confidentiality and non-competition covenants, return all Manuals and other proprietary materials, at our option, sell or assign us your rights in business telephone numbers
j Assignment of contract by franchisor	Section 12 A	We may transfer our rights without restriction
k "Transfer" by franchisee – defined	Sections 12 B	You must not transfer any direct or indirect interest in you, the Franchise Agreement or the assets of the franchised business without our consent
l Franchisor's approval of transfer by franchisee	Section 12 B	We must consent and you must meet conditions before transferring
m Conditions for franchisor's approval of transfer	Section 12 B	Pay all amounts due, not be in default, sign a general release, pay transfer fee, and remain liable for pre-transfer obligations Transferee must meet our criteria, complete required training, guaranty obligations, enter into then-current franchise agreement and upgrade the Office
n Franchisor's right of first refusal to acquire franchisee's business	N/A	N/A

Provision	Section in Franchise Agreement	Summary
o Franchisor's option to purchase franchisee's business	N/A	N/A
p Death or disability of franchisee	N/A	N/A
q Non-competition covenants during the term of the franchise	Section 9 C (1)	You may not operate or have an interest in a business which is similar to the franchised business
r Non-competition covenants after the franchise is terminated or expires	Sections 9 C (2)	For 2 years you may not divert any of your business or customers to a competitor or have an interest in any business that is similar to the franchised business, within the Territory, within a 25-mile radius of the Territory, or within a 25-mile radius of any other MITS franchised territory then in existence or under development
s Modification of the agreement	Sections 9 A and 17 B	Except for changes we can make unilaterally, changes require mutual agreement You must comply with the Manuals as amended
t Integration/merger clause	Section 17 B	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state law) Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable We may not disclaim representations made in the disclosure document
u Dispute resolution by arbitration or mediation	Section 17 F and 17 G	Claims, controversies or disputes from or relating to the Franchise Agreement must be mediated, except actions based on the Marks or confidential information If mediation does not resolve the issue, either party may institute legal proceedings in court

Provision	Section in Franchise Agreement	Summary
v Choice of forum	Sections 17 G and 19 H	Unless contrary to applicable state law Mediation in San Antonio, Texas, except actions based on the Marks or confidential information, venue for any other proceeding is Bexar County, Texas or the federal district court for the Western District of Texas (subject to state law) In addition to the provisions noted in this chart, the Franchise Agreement contains a number of provisions that may affect your legal rights, including a waiver of the right to a jury trial, a waiver of punitive or exemplary damages and limitations on when claims may be raised (See Franchise Agreement, Section 17) We recommend that you carefully review all of these provisions, and all of the contracts listed in Item 22, with a lawyer
w Choice of law	Section 19 I	Unless contrary to applicable state law, the Franchise Agreement is to be interpreted and construed under Texas law, except for Texas choice of law rules (subject to state law)

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote the franchise

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and 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 performance at a particular location or under particular circumstances

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Cathy Morse at 2630 Rogers Fork, San Antonio, Texas 78258 and (210) 479-6141, the Federal Trade Commission, and the appropriate state regulatory agencies

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No 1

Systemwide Outlet Summary For years 2014 to 2016⁽¹⁾

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2014	5	10	5
	2015	10	23	13
	2016	23	36	13
Company-Owned	2014	1	1	0
	2015	1	1	0
	2016	1	1	0
Total Outlets	2014	6	11	5
	2015	11	24	13
	2016	24	37	13

Note:

1 All numbers are as of our fiscal year end, which is December 31

Table No. 2

**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2014 to 2016⁽¹⁾**

Column 1	Column 2	Column 3
State	Year	Number of Transfers
All States	2014	0
	2015	0
	2016	1
Total	2014	0
	2015	0
	2016	1

Note.

1 All numbers are as of our fiscal year end, which is December 31

Table No 3

**Status of Franchised Outlets
For years 2014 to 2016⁽¹⁾**

Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9
State ²	Year	Outlets at Start of Year	Outlets Opened	Termina- tions	Non- Renewals	Reacquired by Franchisor	Ceased Opera- tions- Other Reasons	Outlets at End of the Year
California	2014	0	2	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Colorado	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Florida	2014	2	1	0	0	0	1	2
	2015	2	2	0	0	0	0	4
	2016	4	0	0	0	0	0	4

Col 1 State ²	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Termina- tions	Col 6 Non- Renewals	Col 7 Reacquired by Franchisor	Col 8 Ceased Opera- tions- Other Reasons	Col 9 Outlets at End of the Year
Georgia	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Illinois	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
Iowa	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
Kansas	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Louisiana	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Michigan	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
Minnesota	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Missouri	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Nebraska	2014	0	1	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
Nevada	2014	0	0	0	0	0	0	0

Col 1 State ²	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Termi- nations	Col 6 Non- Renewals	Col 7 Reacquired by Franchisor	Col 8 Ceased Opera- tions- Other Reasons	Col 9 Outlets at End of the Year
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
New Mexico	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	1	0
	2016	0	0	0	0	0	0	0
North Carolina	2014	0	1	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
North Dakota	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Ohio	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Oregon	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Pennsylvania	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Tennessee	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Texas	2014	1	0	0	0	0	0	1
	2015	1	2	0	0	0	0	3
	2016	3	1	0	0	0	0	4
Utah	2014	0	0	0	0	0	0	0

Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9
State ²	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Virginia	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Wisconsin	2014	0	0	0	0	0	0	0
	2015	0	2	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Wyoming	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Totals	2014	0	0	0	0	0	0	10
	2015	0	0	0	0	0	0	23
	2016	0	0	0	0	0	0	36

Notes:

1 All numbers are as of our fiscal year end, which is December 31

2 A list of our franchisees as of December 31, 2016 is attached (see Exhibit C) including those who have signed franchise agreements but were not operational as of the end of our fiscal year 2016. From June 2004 through November 2012, one of our principals contracted with dealers under dealership agreements that are different from the form of agreement described in this disclosure document. These principals no longer offer dealerships for this type of business under the arrangement that was previously offered. We refer to dealerships operating under those older agreements as "Pre-Existing Dealers" in this disclosure document. As of December 31, 2016, there are no Pre-Existing Dealers (see Exhibit D).

3 If you buy this franchise, your contact information may be disclosed to other buyers when you leave the MITS System.

Table No 4
Status of Company-Owned Outlets
For years 2014 to 2016⁽¹⁾

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Outlets Reacquired From Franchisee	Col 6 Outlets Closed	Col 7 Outlets Sold to Franchisee	Col 8 Outlets at End of Year
All States ²	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
TOTALS	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1

Notes:

1 All numbers are as of our fiscal year end, which is December 31

2 Joshua Morse, our General Manager, has operated a MITS Business in San Antonio, Texas, since 2004

Table No. 5
Projected Openings As Of December 31, 2016

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlet In The Next Fiscal Year	Column 4 Projected New Company-Owned Outlet In the Next Fiscal Year
California	0	0-1	0
Florida	0	0-3	0
Georgia	0	0-1	0
Illinois	0	0-1	0
Maryland	0	0-1	0
Michigan	0	0-1	0
New Mexico	0	0-1	0
New York	0	0-1	0

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlet In The Next Fiscal Year	Column 4 Projected New Company-Owned Outlet In the Next Fiscal Year
North Carolina		0-1	0
North Dakota	0	0-1	0
South Dakota	0	0-1	0
Washington	0	0-1	0
Wisconsin	0	0-1	0
Wyoming	0	0-1	0
TOTAL	0	0-15	0

The name, business address, and business telephone number of each current franchisee and their outlet as of December 31, 2016 are listed on Exhibit C. This list includes franchisees who have signed franchise agreements but were not operational as of the end of our fiscal year 2016. The name, business address, and business telephone number of each current Pre-Existing Dealer as of December 31, 2016 are listed on Exhibit D.

The name, city and state, and current business telephone number (or, if unknown, the last known home telephone number) of every MITS franchisee who has had a Business terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the dealership agreement during the most recently completed fiscal year or has not communicated with us within 10 weeks of the date of issuance of this disclosure document are listed on Exhibit E.

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

As of the date of this disclosure document, we are not offering outlets we control that were previously owned by a franchisee. If we begin to offer any such outlet, specific information about the outlet will be provided to you in a supplement to this disclosure document.

As of December 31, 2016, we have no current or former franchisees who have signed provisions during the last three fiscal years restricting their ability to speak openly to you about their experience with the Made in the Shade Blinds and More franchise system.

As of the date of this disclosure document, no independent trademark-specific franchisee organizations have asked to be included in this disclosure document and there are no franchisee organizations sponsored or endorsed by us.

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit A are our audited financial statements for the years ending December 31, 2016, December 31, 2015, and December 31, 2014.

ITEM 22

CONTRACTS

Attached to this disclosure document are the following contracts and their attachments

- 1 Franchise Agreement (with attachments) (Exhibit B),
- 2 Promissory Note (Exhibit G),
- 3 Security Agreement (Exhibit H),
- 4 General Release (Exhibit I)

ITEM 23

RECEIPTS

Attached as the last 2 pages of this disclosure document are duplicate Receipts to be signed by you. Keep one for your records and return the other one to us.

EXHIBIT A

FINANCIAL STATEMENTS

**Department of
Business Oversight**

APR 18 2017

RECEIVED
San Francisco

EXHIBIT B
FRANCHISE AGREEMENT



MADE IN THE SHADE BLINDS AND MORE LLC
FRANCHISE AGREEMENT

Name of Franchisee

Street Address

City State Zip Code

Telephone

Form dated April 12, 2017
FDD dated April 12, 2017

**MADE IN THE SHADE BLINDS AND MORE LLC
FRANCHISE AGREEMENT**

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ATTACHMENTS

- Attachment A Principals' Guaranty and Assumption Agreement
- Attachment B Confidentiality Agreement and Ancillary Covenants Not to Compete
- Attachment C Selected Terms Territory, Office Location, and Opening Date
- Attachment D Statement of Ownership Interests and Management Information
- Attachment E Definitions

**MADE IN THE SHADE BLINDS AND MORE LLC
FRANCHISE AGREEMENT**

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into by and between Made in the Shade Blinds and More LLC, a Texas limited liability company ("Franchisor"), and _____, a _____ ("Franchisee"), to be effective as of the ____ day of _____, 20____, (the "Effective Date," which is the date on which Franchisor executes this Agreement) Certain initially capitalized terms used frequently in this Agreement are defined in Attachment F hereto

RECITALS:

Franchisor has the right to use and license the use of a system (the "System") for the establishment and operation of franchised businesses that specialize in the sale and distribution of window covering products (the "Products") under the Marks (defined below) ("MITS Businesses" or "Business")

The distinguishing characteristics of the System include, without limitation, specifications, policies and procedures for operations, quality of the products and services offered, procedures for sales, management and financial control, training and assistance, and advertising and promotional programs, all of which may be changed, improved, and further developed by Franchisor from time to time

The System is identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the mark "Made in the Shade, Blinds and More" and such other trade names, service marks, trademarks, logos, emblems and indicia of origin as are now designated, and may hereafter be designated by Franchisor in writing, for use in connection with the System (the "Marks")

Franchisee wishes to obtain a franchise to establish and operate a MITS Business using the Marks and the System in the Territory identified on Attachment C

Franchisor is willing to grant Franchisee a franchise to do so upon the terms and conditions set forth in this Agreement in reliance on Franchisee's application and Franchisee's representations made in this Agreement

NOW, THEREFORE, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows

1. GRANT

A Grant of Rights Franchisor hereby grants Franchisee the right and license, and Franchisee hereby accepts the right and obligation, to establish and operate a MITS Business in accordance with this Agreement under the Marks and the System in the Territory described in Attachment C to this Agreement

B Exclusivity If Franchisee is in compliance with this Agreement and all other agreements between Franchisee or its affiliates and Franchisor or its affiliates, and subject to Sections 1 C and 1 D , during the term of this Agreement, Franchisor and its affiliates will not establish or authorize anyone except Franchisee to establish a MITS Business in the Territory Franchisee may not market and/or sell any Products outside Franchisee's Territory without Franchisor's prior written consent

C Reserved Rights Franchisee agrees that, except as set forth in Section 1 B , Franchisor and its affiliates expressly retain all rights within and outside the Territory Accordingly, Franchisor, its affiliates, and any other authorized person or entity will have the right, among others, (i) to operate, and

license others to operate, MITS Businesses at any location outside the Territory, (ii) within and outside the Territory to develop and establish other business systems using other names or marks and to grant licenses to use those systems, provided, however, that Franchisor will not grant licenses to others to operate business systems within the Territory that offer window covering products, (iii) to advertise and promote the System in the Territory, and (iv) except for the restriction set forth in Section 1 B against the establishment of another MITS Business in the Territory during the term hereof, to engage, directly or indirectly, in the license, provision and sale of any and all services and products, including, without limitation, window covering products under the Marks or under other names or marks, within and outside the Territory, through any method of distribution, including, but not limited to, the Internet, regardless of the competitive impact on the Franchisee's MITS Business

D Performance Standards Franchisee shall use its best efforts to actively sell the Products and promote the Business in accordance with the terms and conditions set forth in this Agreement. Franchisee shall make not less than Fifty-Five Thousand Dollars (\$55,000) in Manufacturer Product Purchases in each Agreement Year (each as defined in Attachment E) (the "Minimum Performance Standard"). If Franchisee fails to achieve the Minimum Performance Standard in any Agreement Year, Franchisor shall have the right to modify or reduce the size of Franchisee's Territory in Franchisor's sole discretion. Franchisee's failure to achieve the Minimum Performance Standard in any two (2) or more Agreement Years (whether or not such Agreement Years are consecutive) shall constitute a default for which Franchisor may, in its sole discretion, further modify or reduce the size of Franchisee's Territory or terminate this Agreement immediately upon written notice and without providing Franchisee any right to cure.

E Opening Date Franchisee shall commence business with the public no later than sixty (60) days after the execution of this Agreement, unless Franchisee obtains a written extension of such time period from Franchisor. Franchisee shall not commence business without the written authorization of Franchisor, which authorization shall be conditioned upon Franchisee's strict compliance with this Agreement, including, but not limited to, those obligations described in Section 5 of this Agreement. If Franchisee fails to comply with any of its obligations under this Agreement, Franchisor shall have the right to prohibit Franchisee from opening. Franchisee's failure to commence business in compliance with these provisions shall be deemed a material event of default under this Agreement.

2. TERM AND RENEWAL

A Term Unless sooner terminated as provided in this Agreement, the term of this Agreement will begin on the Effective Date and will continue until ten (10) years from the Opening Date.

B Renewal Franchisee may, at its option, renew its rights under this Agreement for two (2) additional consecutive terms of five (5) years each, subject to any or all of the following conditions which must, at Franchisor's option, be met prior to and at the time of renewal:

(1) Franchisee shall give Franchisor written notice of Franchisee's election to renew not less than six (6) months nor more than nine (9) months before the end of the initial term and renewal term, as applicable,

(2) Franchisee shall renovate and modernize, in a manner satisfactory to Franchisor and consistent with the then-current standards of the System, Franchisee's Office (including home office), computer and software systems, and other facilities and equipment used in the MITS Business as Franchisor may reasonably require,

(3) Franchisee shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, neither Franchisee nor its affiliates shall be in default of any other

agreement with Franchisor or any of its affiliates, and Franchisee and its affiliates shall have substantially and timely complied with the terms and conditions of such agreements during the respective terms thereof,

(4) Franchisee shall have timely satisfied all monetary obligations owed to Franchisor and its affiliates under this Agreement and any other agreement between Franchisee or any of its affiliates and Franchisor or any of its affiliates,

(5) Franchisee shall execute Franchisor's then-current form of renewal franchise agreement, which agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement,

(6) Franchisee shall pay to Franchisor a renewal fee in an amount equal to Two Thousand Five Hundred Dollars (\$2,500) in consideration for Franchisor's legal and other administrative costs

(7) Franchisee and its Principals shall execute a general release of any and all claims against Franchisor, its affiliates, and their respective officers, directors, shareholders, partners, members, agents, representatives, independent contractors, servants and employees, past and present, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement or under federal, state or local laws, rules, regulations or orders, and

(8) Franchisee shall comply with Franchisor's then-current qualification and training requirements

3. FEES

A Initial Franchise Fee Franchisee shall pay Franchisor an initial franchise fee of Forty-Four Thousand Nine Hundred Dollars (\$44,900) upon execution of this Agreement. The initial franchise fee shall be deemed fully earned and nonrefundable upon execution of this Agreement, and shall be in consideration for the right and license to use the Marks in connection with the Business, initial product, marketing, and sales training, access to Franchisor's manufacturer network utilizing volume purchasing power, ongoing assistance, initial inventory of sample Products, access to Franchisor's participation with certain third-party customer financing programs, and other services set forth herein.

B Website Fee Franchisee shall pay to Franchisor, its affiliate, or its third-party designee via any means reasonably specified by Franchisor, its affiliate, or its third-party designee (i) an initial website fee in an amount equal to Ninety-Nine Dollars (\$99), upon notice and demand from Franchisor, its affiliate, or its third-party designee, and (ii) a continuing monthly website fee in an amount equal to Ninety-Nine Dollars (\$99), payable no later than the first (1st) day of each month during the Term.

C Products Purchased from Non-Designated Suppliers If Franchisee obtains Franchisor's prior written approval to sell Products from non-designated suppliers (pursuant to Section 6 C (2) herein), Franchisee shall pay to Franchisor a royalty fee in an amount equal to five percent (5%) of the price of the Manufacturer Product Purchases paid by Franchisee to such non-designated suppliers (the "Non-Designated Supplier Purchases"). Such royalty fee shall be due and payable each calendar quarter based on Franchisee's Non-Designated Supplier Purchases for the immediately preceding calendar quarter and shall be paid by Franchisee to Franchisor via any means reasonably specified by Franchisor, so that it is received by Franchisor on or before the fifth (5th) day of each calendar quarter, provided such day is a Business Day. If the date on which a royalty payment would otherwise be due is not a Business Day, then payment shall be due on the next Business Day.

D Reports and Records On or before fifth (5th) day of each calendar quarter, Franchisee shall provide a report to Franchisor of all of Franchisee's gross sales accruing during the immediately preceding calendar quarter. In addition, Franchisee shall maintain during the term of this Agreement, in accordance with generally accepted accounting principles and in the form and manner prescribed by Franchisor from time to time in the Manuals, and shall preserve for at least five (5) years from the date of preparation, full, complete and accurate books, records and accounts of the Business, including, but not limited to, sales slips, coupons, purchase orders, payroll records, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and ledgers. Franchisee shall submit to Franchisor such forms, reports, records, information and data as Franchisor may reasonably designate, in the form and at the times and places reasonably required by Franchisor.

E Past Due Amounts, Acceptance and Application of Payments

(1) In addition to the initial franchise fee and annual website fee, Franchisee shall pay when due all other fees, amounts or reimbursements described in this Agreement. Time is of the essence for all payments to be made by Franchisee to Franchisor. Any payment not actually received by Franchisor on or before the due date provided by Franchisor shall be deemed overdue. All unpaid obligations under this Agreement shall bear interest from the date due until paid at the lesser of ten (10%) percent per annum, or the maximum rate allowed by applicable law. No provision of this Agreement shall require the payment or permit the collection of interest in excess of the maximum rate allowed by applicable law. If for any reason interest in excess of the maximum rate allowed by applicable law shall be deemed charged, required or permitted, any such excess shall be applied as a payment to reduce any other amounts which may be due and owing hereunder, and if no such amounts are due and owing hereunder, then such excess shall be repaid to the party making the payment.

(2) Acceptance by Franchisor of any payments due subsequent to the due date shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee or the Principals of any terms, provisions, covenants or conditions of this Agreement.

(3) Franchisor shall have the right to apply any payment it receives from Franchisee to any amounts Franchisee owes Franchisor or its affiliates under this Agreement or any other agreement between them, even if Franchisee has designated the payment for another purpose or account. Franchisor may accept any check or payment in any amount from Franchisee without prejudice to Franchisor's right to recover the balance of the amount due or to pursue any other right or remedy. No endorsement or statement on any check or payment or in any letter accompanying any check or payment or elsewhere shall constitute or be considered as an accord or satisfaction.

(4) Franchisee shall have no right to withhold any payments due Franchisor on account of Franchisor's breach or alleged breach of this Agreement, and no right to offset any amount due Franchisor against any obligation that Franchisor may owe to Franchisee.

4 FRANCHISOR'S OBLIGATIONS

Franchisor agrees to provide, or cause the following services to be provided to Franchisee

A Manuals Beginning during the initial training program, access to one (1) set of the Manuals, either in paper or electronic form.

B Software Programs For a reasonable fee based on Franchisor's reasonable costs, any Software Programs that Franchisor acquires or develops for use in the System, provided, that Franchisor is under no obligation to develop or acquire such Software Programs.

C Advertising For a reasonable fee based on Franchisor's reasonable costs, certain advertising and promotional materials developed by Franchisor from time to time for use in marketing and advertising for the System

D Operational Advice Advice and written materials concerning techniques for managing and operating MITS Businesses, including new developments and improvements in System products and services, sales strategy, and other support

E Designated Supplier, Approved Products List A list of designated suppliers, which Franchisor may change from time to time in its sole discretion, and selections for and publication of the Approved Products List, which Products and pricing may change from time to time in Franchisor's sole discretion

F Sample Inventory Prior to opening of the Business, and at no cost to Franchisee, make available to Franchisee an initial inventory of sample Products from designated suppliers, and thereafter for a reasonable fee such additional inventory of sample Products as Franchisee reasonably requests and Franchisor reasonably requires

G Training An initial training program for Franchisee's Operating Principal and additional training programs in accordance with Section 6 K. With Franchisor's prior written consent and subject to its then-current certification procedures, Franchisor may authorize Franchisee to implement a training program for the employees of the Business developed pursuant to this Agreement in accordance with Franchisor's then-current standards

H Remedial Training Upon Franchisee's reasonable request or if Franchisor shall determine it to be necessary during the term of this Agreement, on-site remedial training, provided, that remedial training shall be conducted subject to the availability of Franchisor's personnel, and provided further, that Franchisor may require Franchisee to pay the per diem fee then being charged for on-site remedial training, and pay or reimburse Franchisor for the expenses incurred by its representatives, including the costs of travel, lodging, meals, and wages

I Annual Conference Franchisor may, in Franchisor's discretion, hold an Annual Conference at a location to be selected by Franchisor. Franchisor will determine the topics and agenda for such conference to serve the purpose among other things, of updating franchisees on new developments affecting franchisees, exchanging information between franchisees and Franchisor's personnel regarding MITS Business operations and programs, and recognizing franchisees for their achievements. Franchisor may require Franchisee to attend the Annual Conference, for a duration designated by Franchisor, and to pay Franchisor's then-current registration fee. All expenses, including Franchisee's and Franchisee's employees' transportation to and from the Annual Conference, and lodging, meals, and salaries during the Annual Conference, are Franchisee's sole responsibility. If Franchisor establishes a marketing Fund, Franchisor may use expenditures from the Marketing Fund for purposes related to the Annual Conference, including costs related to productions, programs, and materials

5. FRANCHISEE'S AGREEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS

A **Franchisee's Investigation of this Franchise** Franchisee acknowledges that Franchisee has read this Agreement and that Franchisee understands the terms of this Agreement and accepts them as being reasonably necessary for Franchisor to maintain the uniformity of MITS Businesses and to protect the goodwill of the Marks and the integrity of the System Franchisee has conducted an independent investigation of the business contemplated by this Agreement and recognizes that an investment in a MITS Business involves business risks, that Franchisee's success is largely dependent on Franchisee's abilities and efforts, and that the nature of MITS Businesses may change over time Franchisee has not received or relied on any guaranty or assurance, express or implied, as to the revenues, profits or success of the business contemplated by this Agreement

B **Organization and Ownership** If Franchisee is a corporation, partnership, limited liability company or other legal entity (i) Franchisee is duly organized and validly existing under the laws of the state of its formation, (ii) Franchisee is duly qualified and is authorized to do business in each jurisdiction in which its business activities or the nature of the properties owned by it require such qualification, (iii) Franchisee's corporate charter or written partnership or limited liability company agreement shall at all times provide that the activities of Franchisee are confined exclusively to the operation of the MITS Business, and (iv) the ownership interests in Franchisee are accurately and completely described in Attachment D

C **Financial Matters** The Principals that Franchisor designates shall jointly and severally guarantee the performance of Franchisee's obligations under this Agreement pursuant to the terms and conditions of the Principal's Guaranty and Assumption Agreement at Attachment A hereto, and shall otherwise bind themselves to the terms of this Agreement as stated herein Franchisee shall maintain at all times during the term of this Agreement sufficient working capital to fulfill its obligations under this Agreement

D **Legal Compliance** In addition to complying with Franchisee's obligations under this Agreement, Franchisee agrees to comply with all applicable federal, state and local laws, rules, regulations, ordinances and orders Such laws, rules, regulations, ordinances and orders vary from jurisdiction to jurisdiction and may be amended or implemented or interpreted in a different manner from time to time It is Franchisee's sole responsibility to apprise itself of the existence and requirements of all such laws, rules, regulations, ordinances and orders, and to adhere to them at all times during the term of this Agreement

E **Powers of Attorney** Franchisee hereby appoints Franchisor its true and lawful attorney-in-fact, with full power and authority to assign to Franchisor upon the termination or expiration of this Agreement all rights to the telephone numbers of the Business, any related Yellow Pages trademark listings, and all rights to any website listings or services, search engines or systems, and any other business listings related to the Business

6. BUSINESS OPERATIONS

A **Standards Compliance** Franchisee acknowledges the importance of maintaining uniformity among all of the MITS Businesses and the importance of complying with all of Franchisor's standards and specifications relating to the operation of the MITS Businesses To protect the reputation and goodwill of Franchisor and to maintain the high standards of operation under the Marks, Franchisee shall conduct its business in accordance with the Manuals, other written directives which Franchisor may

issue to Franchisee from time to time, and any other manuals and materials created or approved for use in the operation of MITS Businesses

B Office Franchisee shall establish and maintain at all times an office that shall be located in the Territory (the "Office") The Office may be located in Franchisee's or one of its Principals' homes, or it may be located in a separate commercial office location All signage, if any, at the Office must comply with Franchisor's standards If the Office is located in Franchisee's or one of its Principals' home, it must be separate and distinct from the living space and be dedicated to the Business If Franchisee has not selected a location for the Office at the time that the parties execute this Agreement, the parties will amend Attachment C to reflect the address of the Office when the location of the Office is determined Franchisee acknowledges that Franchisor does not review or approve the location of the Office, provided, if the Office is not located in Franchisee's or one of its Principals' home, Franchisor shall have the right to review the location to confirm that such location meets Franchisor's standards The inclusion of the address of the Office in Attachment C does not constitute a guarantee, assurance, representation or warranty of any kind, express or implied, as to the suitability of the Office for the operation of the Business or for any other purpose Franchisee acknowledges that it has independently investigated the suitability of the Office for the operation of a MITS Business Franchisor may require Franchisee at the time(s) Franchisor designates to make improvements to the Office to conform it to Franchisor's then-current standards

C Sourcing Franchisee shall comply with all of Franchisor's standards and specifications relating to the purchase of all inventory, equipment (including computer hardware and software), marketing materials, and other products used or offered for sale in the Business Franchisee shall offer for sale to customers only such Products that are contained on the Approved Products List and from such suppliers designated by Franchisor Franchisor's designated suppliers are those who Franchisor has entered into volume purchasing arrangements and who continue to demonstrate the ability to meet Franchisor's then-current standards and specifications for inventory, equipment and other items used or offered for sale in the MITS Business and who possess adequate quality controls and capacity to supply Franchisee's needs and distribute promptly and reliably over an extended period of time

(1) Franchisee acknowledges and agrees that Franchisor may change the number of designated and approved suppliers at any time and may designate itself, its affiliate, or a third party as the exclusive source for any particular item Franchisee further acknowledges and agrees that Franchisor will profit from Franchisee's purchases from designated and other suppliers, and will receive certain rebates, payments, fees, allowances, commissions and/or reimbursements from such suppliers in respect of Franchisee's purchases

(2) If Franchisee desires to purchase, lease or use any products or other items from a non-designated supplier, Franchisee shall submit to Franchisor a written request for such approval, or shall request the supplier itself to do so We shall notify you within 30 days of your request whether your request was approved or disapproved If we fail to notify you, such failure shall be deemed that your request was disapproved Franchisee shall not purchase or lease from any supplier until and unless such supplier has been approved in writing by Franchisor, which approval may be withheld by Franchisor in its sole discretion and which shall be, at a minimum, contingent upon Franchisor entering into a volume purchasing arrangement with such supplier Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, either to Franchisor or to an independent laboratory designated by Franchisor for testing A charge, not to exceed the cost of the inspection and of the test (including Franchisor's administrative costs attributable to both), shall be paid by Franchisee or the supplier Franchisor reserves the right, at its option, to re-inspect from time to time the facilities and products of any such supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's then-current criteria Nothing in the foregoing shall be construed to require Franchisor to approve any particular supplier

Franchisee's failure to comply with the provisions of this Section 6 C shall be deemed a material breach under this Agreement

D Approved Products List

(1) Franchisor will provide Franchisee with an Approved Products List containing the Products (including the brand and style of each item) approved by Franchisor for sale by MITS Businesses. Franchisee must make available for customer purchase only such items contained in the Approved Products List. Franchisor will update the Approved Products List periodically and provide Franchisee with the updated list. Franchisor will, in its discretion, determine the brands and styles of Products and items included on the Approved Products List. Franchisor shall have no responsibility and does not guarantee the availability of any of the items on the Approved Products List. Franchisee shall promptly pay the invoices with respect to all inventory in accordance with their terms.

(2) All inventory shall be offered, sold and delivered according to the specifications contained in the Manual or as otherwise directed by Franchisor. Franchisee shall make no sales of inventory or services outside of the Territory unless Franchisor otherwise consents in writing.

(3) If Franchisee desires to offer any other brand or inventory items not on the Approved Products List, Franchisee shall submit to Franchisor a written request for approval in writing, which approval Franchisor may grant or withhold in Franchisor's sole discretion.

E Operational Requirements Franchisee shall operate the Business in full conformity with Franchisor's methods, standards and specifications as set forth in the Manuals and as from time to time otherwise prescribed in writing. Without limitation of the foregoing, Franchisee agrees

(1) To actively sell and offer for sale all Products required by Franchisor utilizing the method, manner and style of distribution prescribed by Franchisor, and to maintain an adequate inventory of sample Products, as prescribed by Franchisor from time to time,

(2) To sell and offer for sale only such Products that are listed on the Approved Products List or that have otherwise been expressly approved for sale in writing by Franchisor, to discontinue selling and offering for sale any inventory items, products or services and any method, manner or style of distribution which Franchisor may, in its sole discretion, disapprove in writing at any time, and to refrain from deviating from Franchisor's standards and specifications without Franchisor's prior written consent,

(3) To purchase or lease and install, at Franchisee's expense, all equipment (including computer systems), signs (if the Office is not a home office), and related items at the Office that Franchisor may reasonably direct from time to time in the Manuals or otherwise in writing,

(4) To maintain a competent, courteous, conscientious, sales-oriented trained staff and to take any and all steps as are necessary to ensure that its employees preserve good customer relations and comply with any dress code Franchisor may prescribe,

(5) To comply with all manufacturer warranty duties, if any, applicable to safety and warranty laws and regulations, and

(6) To refrain from offering or facilitating the purchase of any non-manufacturer Product warranty to customers and from representing to any customer that Franchisor provides any non-manufacturer Product warranty of any kind.

F Computer Systems Franchisee agrees to use the Computer System that Franchisor specifies from time to time for use in the operation of the Business, provided, however, that Franchisor's current specifications require only that Franchisee have a functioning personal computer that has a high-speed modem and that connects to the Internet and transmits and receives e-mail. Franchisee acknowledges that Franchisor may make reasonable modifications to the specifications and the components of any such Computer System from time to time. As part of the Computer System, Franchisor may require Franchisee to obtain specified computer hardware and/or software, including, without limitation, a license to use Software Programs developed by Franchisor or others. Changes to the Computer System specifications may require Franchisee to incur reasonable costs to purchase, lease and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System during the term of this Agreement. Franchisee acknowledges that Franchisor cannot estimate the future costs of the Computer System (or additions or modifications thereto) and that the cost to Franchisee of obtaining the Computer System (including software licenses) or additions or modification thereto may not be fully amortizable over the remaining term of this Agreement. Nonetheless, Franchisee agrees to incur such costs. Within sixty (60) days after Franchisee receives notice from Franchisor, Franchisee agrees to obtain the components of the Computer System that Franchisor requires. Franchisee further acknowledges and agrees that Franchisor has the right to charge a reasonable systems fee for any software or systems modifications and enhancements specifically made for Franchisor that are licensed to Franchisee and other maintenance and support services that Franchisor or its affiliate may furnish to Franchisee.

G MITS Website, Internet, Intranet Franchisor has established an Internet website containing contact information for the franchised MITS Businesses and other information about the System, the products and services offered by MITS Businesses. Franchisor shall have sole discretion and control over the website, including timing, design, contents and continuation. Without Franchisor's prior written approval, which Franchisor may give or withhold in Franchisor's sole discretion, Franchisee may not develop, create, generate, own, or otherwise use any computer and/or electronic media (including but not limited to the Internet, bulletin boards, social networking sites (e.g., Facebook), and news groups) in connection with the Business. Franchisee agrees that Franchisee has no authority to, and Franchisee will not, register any domain name in any class or category that uses or creates any association with the Marks (including any abbreviation, acronym, phonetic variation or visual variation of the Marks) or the System without Franchisor's express prior written consent. Franchisor also has the sole right (but no obligation) to develop an Intranet through which Franchisor and Franchisor's franchisees can communicate by e-mail or similar electronic means. If Franchisor develops an Intranet, Franchisee agrees to participate in strict compliance with Franchisor's standards, protocols and restrictions.

H Customer Complaints Franchisee shall process and handle all consumer complaints connected with or relating to the Business, and shall promptly notify Franchisor of all (i) safety or health violations, (ii) claims exceeding One Thousand Dollars (\$1,000), and (iii) any other material claims against or losses suffered by Franchisee. Franchisee shall maintain any communications with governmental authorities affecting the Business during the term of this Agreement and for one (1) year after the expiration or earlier termination hereof.

I Vehicles Any vehicle used by Franchisee in connection with the operation of the Business shall meet Franchisor's image and other standards. Franchisee shall place such signs and decor items on the vehicle as Franchisor may require and shall at all times keep the vehicle clean and in good working order. Franchisee shall not permit anyone to operate a vehicle used in connection with the Business who is under the age of eighteen (18) years or who does not possess a valid driver's license issued by state in which the Business is located. Franchisee shall require each person who operates a vehicle used in connection with Business operations to comply with all applicable laws, regulations and

rules of the road and to use due care and caution in the operation and maintenance of the vehicles Except as stated herein, Franchisor does not exercise any control over any motor vehicle used by Franchisee

J Operating Principal Upon the execution of this Agreement, Franchisee shall designate, and shall retain at all times during the term of this Agreement, an individual to serve as Franchisee's Operating Principal If Franchisee is an individual, Franchisee shall perform all obligations of the Operating Principal The Operating Principal for all MITS Businesses operated by Franchisee and, if applicable, Franchisee's affiliates, shall be the same person The Operating Principal shall maintain a direct or indirect ownership interest of not less than ten percent (10%) in Franchisee Except as may otherwise be provided in this Agreement, the Operating Principal's interest in Franchisee shall be and remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options The Operating Principal shall execute this Agreement as a Principal, and shall be individually, jointly and severally, bound by all obligations of Franchisee, the Operating Principal and a Principal hereunder The Operating Principal shall meet Franchisor's qualifications, as set forth in this Agreement, the Manuals, or otherwise in writing and, without limitation, shall be empowered with full authority to act for and on behalf of Franchisee Franchisee must promptly notify Franchisor if the Operating Principal cannot continue to serve in that capacity or no longer qualifies as such, and must take corrective action within thirty (30) days thereafter During such thirty (30) day period, Franchisee must provide for interim management of its operations in accordance with this Agreement Any failure to comply with this Section 6 J will be a material breach of this Agreement

K Training Franchisee's Operating Principal shall successfully complete Franchisor's management training program prior to the Opening Date Any successor or replacement Operating Principal shall successfully complete Franchisor's management training program within a reasonable time after such persons are designated Such persons, and any other personnel of Franchisee whom Franchisor may designate, shall attend and complete any additional training that Franchisor may from time to time require Training shall be conducted at locations designated by Franchisor

(1) Initial management training for Franchisee's Operating Principal is provided at no additional charge, however, Franchisor reserves the right to charge a reasonable fee for training successor or replacement personnel and for any additional training programs Franchisee shall be responsible for any and all expenses incurred in connection with any initial or additional training, including, without limitation, the costs of travel, lodging, meals and wages incurred by Franchisee, its Operating Principal

(2) If the Operating Principal fails, in Franchisor's sole judgment, to satisfactorily complete Franchisor's management training program, and Franchisee fails to cure such default within forty-five (45) days following written notice from Franchisor, Franchisor may terminate this Agreement

L Pricing To the fullest extent permitted by applicable law, Franchisor reserves the right to establish maximum or other pricing requirements with respect to the prices Franchisee may charge for products or services

7. ADVERTISING AND RELATED FEES

A Promotional Programs Franchisee shall participate in, and comply with the requirements of, any gift card, gift certificate, customer loyalty or retention programs that Franchisor implements for all or part of the MITS franchise system and shall sign the forms and take the other action that Franchisor requires in order for Franchisee to participate in such programs Franchisor may, from time to time, in its sole discretion, develop and administer advertising and sales promotion programs designed to promote all MITS Businesses operating under the System including but not limited to a national marketing fund

Franchisee must participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by Franchisor. The standards and specifications established by Franchisor for such programs, including, without limitation, the type, quantity, timing, placement and choice of media, market areas and advertising agencies, shall be final and binding upon Franchisee.

B Advertising Approvals All advertising and promotion by Franchisee in any medium shall be conducted in a dignified manner and shall conform to Franchisor's standards and specifications. Franchisee shall obtain Franchisor's approval of all advertising and promotional plans and materials, including, without limitation, those placed on the Internet pursuant to Section 6 G, prior to use if such plans and materials have not been prepared or previously approved by Franchisor during the twelve (12) month period immediately preceding their proposed use. Franchisee shall submit any unapproved plans and materials to Franchisor, and Franchisor shall approve or disapprove such plans and materials within twenty (20) days after receiving them. If Franchisor does not respond to Franchisee's request for approval within such twenty (20)-day period, the materials or plans shall be deemed approved by Franchisor. Franchisee shall not use any unapproved plans or materials until they have been approved or deemed approved by Franchisor, and shall promptly discontinue use of any advertising or promotional plans or materials, whether or not previously approved or deemed approved, upon notice from Franchisor.

C Local Advertising Franchisee will be required to spend a minimum of 2% of its gross sales derived from the MITS Business on local marketing and promotion in accordance with Franchisor's standards and specifications (the "Local Marketing Requirement"). Franchisee must spend the Local Marketing Requirement as Franchisor prescribes in the Operations Manual or otherwise in writing, which may include, without limitation, requirements for placing a certain number and/or type(s) of media advertisements, or engaging certain public figures to assist the Franchisee in promoting its MITS Business. The Local Marketing Requirement must be expended within Franchisee's Territory. Franchisee acknowledges and agrees that Franchisee's Local Marketing Requirement must be expended regardless of the amount(s) spent by other System franchisees on Local Marketing. Franchisee may spend any additional sums Franchisee wishes on Local Marketing. Franchisee must use only such advertising and promotional materials as have been previously approved by Franchisor. Upon request by Franchisor, Franchisee will submit to Franchisor proof of Franchisee's expenditures on local marketing.

8 MARKS

A Right to Use the Marks Franchisor grants Franchisee the right to use the Marks during the term of this Agreement in accordance with this Agreement and Franchisor's standards and specifications.

B Agreements Regarding the Marks Franchisee expressly acknowledges that

(1) As between Franchisor and Franchisee, Franchisor is the owner of all right, title and interest in and to the Marks and the goodwill associated with and symbolized by them.

(2) Neither Franchisee nor any Principal shall take any action that would prejudice or interfere with the rights of Franchisor or its affiliates in and to the Marks. Nothing in this Agreement shall give Franchisee any right, title, or interest in or to any of the Marks, except the right to use the Marks in accordance with the terms and conditions of this Agreement.

(3) Any and all goodwill arising from Franchisee's use of the Marks shall inure solely and exclusively to the benefit of Franchisor or its affiliates, and upon expiration or termination of this Agreement and the license granted herein, no monetary amount shall be attributable to any goodwill associated with Franchisee's use of the Marks.

(4) Franchisee shall not contest, or assist others to contest, the validity, or the interest, of Franchisor or its affiliates in the Marks

(5) Any unauthorized use of the Marks shall constitute an infringement of Franchisor's or its affiliates' rights in the Marks and a material event of default under this Agreement. Franchisee shall provide Franchisor with all assignments, affidavits, documents, information and assistance related to the Marks that Franchisor or its affiliates reasonably request, including all such instruments necessary to register, maintain, enforce and fully vest the rights of Franchisor or its affiliates in the Marks

(6) Franchisor shall have the right to substitute different trade names, trademarks, service marks, logos and commercial symbols for the current Marks to use in identifying the System and the MITS Businesses operating under the System if the current Marks no longer can be used, or if Franchisor, in its sole discretion, determines that substitution of different marks will be beneficial to the System. In such event, Franchisor may require Franchisee, at Franchisee's expense, to discontinue or modify Franchisee's use of any of the Marks or to use one or more additional or substitute marks

(7) Franchisee shall, in its business cards, use the Marks only in obvious conjunction with the words, "An Independent Made in the Shade, Blinds and More Franchisee "

C Use of the Marks Franchisee further agrees that Franchisee shall

(1) Operate and advertise the Business only under the name "Made in the Shade, Blinds and More," without prefix or suffix, unless otherwise authorized or required by Franchisor. Franchisee shall not use the Marks or any portion thereof as part of its limited liability company, corporate or other legal name

(2) Identify itself as the owner of the Business in conjunction with any use of the Marks, including, but not limited to, uses on invoices, order forms, receipts and contracts, and shall display a notice in such content and form and at such conspicuous locations on the premises of the Business or on any vehicle used in the operation of the Business as Franchisor may designate in writing

(3) Not use the Marks to incur any obligation or indebtedness on behalf of Franchisor

(4) Comply with Franchisor's instructions in filing and maintaining the requisite trade name or fictitious name registrations, and execute any documents deemed necessary by Franchisor or its counsel to obtain protection of the Marks or to maintain their continued validity and enforceability

(5) Franchisee shall not use the Marks or any abbreviation or other name associated with Franchisor or the System as part of any e-mail address, domain name, or other identification of Franchisee in any electronic medium, except as expressly permitted by Franchisor in writing. Franchisee agrees not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic media without first obtaining Franchisor's written consent as to the content of such e-mail advertisements or solicitations as well as Franchisee's plan for transmitting such advertisements. In addition, Franchisee shall be solely responsible for compliance with any laws pertaining to sending e-mails including but not limited to the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (the "CAN-SPAM Act of 2003")

D Infringement Franchisee shall notify Franchisor immediately of any apparent infringement of or challenge to Franchisee's use of any Mark and of any claim by any person of any rights in any Mark. Franchisee and the Principals shall not communicate with any person other than Franchisor, its affiliates, their counsel, and Franchisee's counsel in connection with any such apparent infringement, challenge or claim. Franchisor shall have complete discretion to take any action it deems appropriate in connection with any infringement of, or challenge or claim to, any Mark and the right to control exclusively, or to delegate control of, any settlement, litigation, Patent and Trademark Office or other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Mark. Franchisee agrees to execute all such instruments and documents, render such assistance, and do such acts or things as may, in the opinion of Franchisor, reasonably be necessary or advisable to protect and maintain the interests of Franchisor or any affiliate in the Marks.

9. CONFIDENTIALITY AND NONCOMPETITION COVENANTS

A Manuals The Manuals shall be provided to Franchisee in either paper or electronic form. The Manuals are Franchisor's property and any print copies (if permitted or made available by Franchisor) shall be returned to Franchisor when this Agreement expires or is terminated for any reason. Franchisee and the Principals shall at all times treat the Manuals, and the information contained therein, as confidential and shall maintain such information as secret and confidential in accordance with this Section 9. Franchisee and the Principals shall not at any time copy, duplicate, record or otherwise reproduce the Manuals, in whole or in part, or otherwise make the same available to any unauthorized person. Franchisee shall make the Manuals available only to those of Franchisee's employees who must have access to them in order to operate the Business. Franchisor has the right to add to or modify the Manuals from time to time to, among other reasons, change operating procedures, maintain the goodwill associated with the Marks, and enable the System to remain competitive. Franchisee shall comply with the terms of all additions and modifications to the Manuals and shall keep the Manuals current. If there is a dispute about the contents of the Manuals, the terms of the master copy at Franchisor's offices shall control. The entire contents of the Manuals, and Franchisor's mandatory specifications, procedures and rules prescribed from time to time, shall constitute provisions of this Agreement as if they were set forth herein.

B Nondisclosure of Confidential Information Franchisor will disclose to Franchisee those parts of Franchisor's Confidential Information Franchisor deems necessary or advisable from time to time for the establishment and operation of the Business. Franchisee agrees that Franchisee and Franchisee's Principals will not acquire any interest in the Confidential Information, other than the right to use the Confidential Information disclosed to Franchisee in operating the Business during the term of this Agreement, and that the use or duplication of any Confidential Information in any other business would constitute an unfair method of competition. Franchisee agrees to disclose the Confidential Information to Franchisee's Principals and employees only to the extent reasonably necessary for the operation of the Business pursuant to this Agreement. Franchisor's Confidential Information is proprietary, includes trade secrets owned by Franchisor and its affiliates, and is disclosed to Franchisee solely on the condition that Franchisee agrees, and Franchisee does hereby agree, that Franchisee (i) will not use the Confidential Information in any other business or capacity, (ii) will maintain the confidentiality of the Confidential Information during and after the term of this Agreement, (iii) will not make unauthorized copies of any portion of the Confidential Information, and (iv) will adopt and implement all reasonable procedures that Franchisor prescribes from time to time to prevent the unauthorized use or disclosure of the Confidential Information, including, without limitation, restrictions on disclosure of the Confidential Information to Business personnel and others. These covenants shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon Franchisee and each of the Principals.

C Noncompetition Covenants Franchisee and the Principals specifically acknowledge that, pursuant to this Agreement, they will receive access to valuable training, trade secrets and Confidential

Information which are beyond their present skills and experience, including, without limitation, information regarding operational, sales, promotional and marketing methods and techniques of the System Franchisee and the Principals further acknowledge that such specialized training, trade secrets and confidential information provide a competitive advantage, and that gaining access thereto is a primary reason for entering into this Agreement. In consideration therefor, Franchisee and the Principals covenant as follows:

(1) With respect to Franchisee, during the term of this Agreement (or with respect to each of the Principals, for so long as such person satisfies the definition of "Principal" under this Agreement), except as otherwise approved in writing by Franchisor, neither Franchisee nor any of the Principals shall, directly or indirectly, for themselves or through, on behalf of or in conjunction with any other person, persons, partnership, corporation, limited liability company, or other entity or association:

(a) Directly or indirectly divert, or attempt to divert, any business or customer of the Business to any competitor, or do or perform any other act injurious or prejudicial to the goodwill associated with the Marks and the System;

(b) Except with respect to MITS Businesses operated under valid agreements with Franchisor, own, maintain, operate, engage in, or have any financial or beneficial interest in, advise, assist or make loans to, any business that is the same as or similar to a MITS Business (including, without limitation, any business which primarily offers and sells window coverings and other similar household or commercial products) and which is located within the United States, Canada, and their respective territories or commonwealths, or any other country, province, state or geographic area in which Franchisor has used, sought registration of or registered the Marks or similar marks or operates or licenses others to operate a business under the Marks or similar marks;

(2) With respect to Franchisee, for a continuous uninterrupted period commencing upon the expiration, termination, or transfer of all of Franchisee's interest in, this Agreement (or, with respect to each of the Principals, commencing upon the earlier of (i) the expiration or termination of, or transfer of all of Franchisee's interest in, this Agreement or (ii) the time such individual or entity ceases to satisfy the definition of "Principal" under this Agreement) and continuing for two (2) years thereafter, except as otherwise approved in writing by Franchisor, neither Franchisee, nor any of the Principals shall, directly or indirectly, for themselves, or through, on behalf of or in conjunction with any other person, persons, partnership, corporation, limited liability company or other entity or association:

(a) Directly or indirectly divert, or attempt to divert, any business or customer of the licensed business to any competitor, or do or perform any other act injurious or prejudicial to the goodwill associated with the Marks and the System;

(b) Except with respect to MITS Businesses operated under valid agreements with Franchisor, own, maintain, operate, engage in, or have any financial or beneficial interest in, advise, assist or make loans to, any business that is the same as or similar to a MITS Business (including, without limitation, any business that primarily offers window coverings and other similar household or commercial products) and which is, or is intended to be, located (i) in the Territory, (ii) within a twenty-five (25) mile radius of the Territory, or (iii) within a twenty-five (25) mile radius of any other MITS franchised territory then in existence or under development;

(3) Franchisee agrees that each of the foregoing covenants contain reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or Franchisor's other business interests. Each covenant shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 9 C is held unreasonable or unenforceable by a court having valid

jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee and Franchisee's Principals expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 9 C

(a) Franchisee and Franchisee's Principals acknowledge that Franchisor will have the right, in Franchisor's sole discretion, to reduce the scope of any covenant set forth in this Section 9 C without Franchisee's or Franchisee's Principals' consent, effective immediately upon notice to Franchisee, and Franchisee and Franchisee's Principals agree to promptly comply with any covenant as modified

(b) Franchisee and Franchisee's Principals expressly agree that the existence of any claims Franchisee or they may have against Franchisor, whether arising under this Agreement or otherwise, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section 9 C

D Injunctive Relief Franchisee and Franchisee's Principals acknowledge that any failure to comply with the requirements of this Section 9 shall constitute a material event of default under this Agreement and further acknowledge that such a violation would result in irreparable injury to Franchisor for which no adequate remedy at law may be available Franchisee and Franchisee's Principals accordingly consent to the issuance of an injunction prohibiting any conduct by Franchisee or Franchisee's Principals in violation of the terms of this Section 9, without the requirement that Franchisor post a bond Franchisee and Franchisee's Principals agree to pay all court costs and reasonable attorneys' fees and costs that Franchisor incurs in connection with the enforcement of this Section 9, including all costs and expenses for obtaining specific performance, or an injunction against the violation, of the requirements of this Article, or any part of it

E Execution of Covenants by Franchisee's Principals and Management Franchisee agrees to require and obtain the execution of covenants similar to those set forth in Sections 9 B and C from all of Franchisee's Principals not signing the Principals' Guaranty and Assumption Agreement, from all Business management personnel, and, at Franchisor's request, any other of Franchisee's personnel These covenants must be substantially in the form set forth in Attachment B, provided, however, that Franchisor reserves the right, in Franchisor's sole discretion, to decrease the scope of the noncompetition covenant set forth in Attachment B or eliminate such noncompetition covenant altogether for any person that is required to execute such agreement

10. INSURANCE

A Franchisee shall procure and maintain in full force and effect during the term of this Agreement, at Franchisee's expense, an insurance policy or policies protecting Franchisee and Franchisor, and their officers, directors, partners, and employees, against any claims for loss, liability, personal injury, death, property damage, or any expense whatsoever arising out of or occurring upon or in connection with the Business Such policy or policies shall be written by an insurance company satisfactory to Franchisor in accordance with its then-current standards and specifications for insurance coverage

B Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, Franchisee shall promptly submit evidence of satisfactory insurance and proof of payment therefor to Franchisor, together with, upon request, copies of all policies and policy amendments The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least thirty (30) days prior written notice to Franchisor Should Franchisee, for any reason, fail to procure or maintain any insurance required by this Agreement, as such requirements may be revised from time to time by Franchisor in writing, Franchisor shall have the right

and authority (without, however, any obligation to do so), immediately to procure such insurance and to charge the cost of same to Franchisee

11 DEBTS AND TAXES

A Payment of Taxes and Other Obligations Franchisee shall promptly pay when due all Taxes, levied or assessed and all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of the franchised business. Without limiting the provisions of Section 13, Franchisee shall be solely liable for the payment of all Taxes and shall indemnify Franchisor for the full amount of all such Taxes and for any liability (including penalties, interest and expenses) arising from or concerning the payment of Taxes, whether or not correctly or legally assessed.

B No Deduction Each payment to be made to Franchisor hereunder shall be made free and clear and without deduction for any Taxes.

C Disputed Liability In the event of any bona fide dispute as to Franchisee's liability for Taxes or other indebtedness, Franchisee may contest the validity or the amount of the Tax or indebtedness in accordance with the procedures of the taxing authority or applicable law. However, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant or attachment by a creditor, to occur against the assets of the franchised business or any improvements thereon.

D Credit Standing Franchisee recognizes that the failure to make payments or repeated delays in making prompt payments to suppliers will result in a loss of credit rating or standing which will be detrimental to the goodwill associated with the Marks and the System. Except for payments which are disputed by Franchisee in good faith, Franchisee agrees to promptly pay when due all amounts owed by Franchisee to Franchisor, its affiliates, and other suppliers.

E Notice of Adverse Orders Franchisee shall notify Franchisor in writing within five (5) days of the commencement of any action, suit or proceeding and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the franchised business.

12. TRANSFER

A By Franchisor Franchisor shall have the right to transfer or assign this Agreement and all or any part of its rights or obligations herein to any person or legal entity without Franchisee's consent, and upon such transfer or assignment, the transferee or assignee shall be solely responsible for all Franchisor's obligations arising hereunder subsequent to the transfer or assignment. Without limitation of the foregoing, Franchisor may sell its assets to a third party, may offer its securities privately or publicly, may merge with or, acquire other corporations, or may be acquired by another corporation, may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring.

B By Franchisee and Principals Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that Franchisor has granted rights under this Agreement in reliance on the business skill, financial capacity and personal character of Franchisee and the Principals. Accordingly, neither Franchisee nor any Principal, nor any successor or assign of Franchisee or any Principal, shall sell, assign, transfer, convey, give away, pledge, mortgage or otherwise dispose of or encumber any direct or indirect interest in this Agreement, in the Business or in Franchisee without the prior written consent of Franchisor. Any purported assignment or transfer, by operation of law or otherwise, made in violation of this Agreement shall be null and void and shall constitute a material breach under this Agreement. If Franchisee wishes to transfer all or part of its interest in the Business or this Agreement, or if Franchisee or a Principal wishes to transfer any ownership

interest in Franchisee, transferor and the proposed transferee shall apply to Franchisor for its consent. Franchisor shall not unreasonably withhold its consent to a transfer of any interest in Franchisee, in the Business or in this Agreement but may require any or all of the following as conditions of its consent:

(1) All accrued monetary obligations of Franchisee and its affiliates to Franchisor and its affiliates arising under this Agreement, or any other agreement, shall have been satisfied in a timely manner, and Franchisee shall have satisfied all trade accounts and other debts of whatever nature or kind,

(2) Franchisee and its affiliates shall not be in default of this Agreement, or any other agreement with Franchisor or its affiliates, and shall have substantially and timely complied with all the terms and conditions of such agreements during their respective terms, including, without limitation, the Minimum Performance Standard set forth in Section 1 D ,

(3) The transferor and its principals, if applicable, shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims, against Franchisor and its affiliates, their respective officers, directors, shareholders, partners, members, agents, representatives, independent contractors, servants and employees, past and present, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement and any other agreement with Franchisor or its affiliates, and under federal, state or local laws, rules, and regulations or orders,

(4) The transferee shall demonstrate to Franchisor's satisfaction that it meets Franchisor's then-current qualifications, and, at the transferee's expense, its operating principal, business manager, and any other personnel required by Franchisor shall complete any training programs then in effect for MITS Businesses upon such terms and conditions as Franchisor may require,

(5) The transferee shall enter into a written agreement, in a form satisfactory to Franchisor, assuming full, unconditional, joint and several, liability for, and agreeing to perform from the date of the transfer, all obligations, covenants and agreements of Franchisee under this Agreement. If the transferee is a corporation, partnership, limited liability company or other entity, those of transferee's principals who are designated as principals, also shall execute such agreement and guarantee the performance thereof,

(6) The transferee shall execute Franchisor's then-current form of franchise agreement for a term ending on the expiration date of this Agreement (including any renewal terms provided by this Agreement). The new franchise agreement shall supersede this Agreement in all respects and its terms may differ from the terms of this Agreement, but the transferee shall not be required to pay an initial license fee. If the transferee is a corporation, partnership, limited liability company or other entity, those of transferee's principals who are designated as principals, also shall execute such agreement and guarantee the performance thereof,

(7) The transferor shall remain liable for all of its obligations to Franchisor under this Agreement incurred prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability, and

(8) Franchisee shall pay to Franchisor a transfer fee in an amount equal to Seven Thousand Five Hundred Dollars (\$7,500), in consideration for Franchisor's legal and administrative costs associated with the transfer, initial training for the transferee, an initial inventory of sample Products for the transferee, and other services.

13. INDEMNIFICATION

Franchisee agrees to indemnify, defend and hold harmless Franchisor, Franchisor's affiliates, and their respective shareholders, directors, officers, employees, agents, successors and assignees (the "Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, any and all claims, and liabilities directly or indirectly arising out of the operation of the Business or Franchisee's breach of this Agreement, without limitation and without regard to the cause or causes thereof or the negligence (whether such negligence be sole, joint or concurrent, or active or passive) or strict liability of Franchisor or any other party or parties in connection therewith, including, without limitation, the other Indemnified Parties. Notwithstanding the foregoing, this indemnity shall not apply to any liability arising from Franchisor's gross negligence or willful misconduct, except to the extent that joint liability is involved, in which event the indemnification provided herein shall extend to any finding of comparative or contributory negligence attributable to Franchisee, Franchisee's Principals, officers, directors, employees, independent contractors or affiliates. For purposes of this indemnification, "claims" includes all obligations, damages (actual, consequential, exemplary or other) and costs reasonably incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, accountants', arbitrators', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution and travel and living expenses. Franchisor has the right to defend any such claim against Franchisee. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Under no circumstances will Franchisor or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate Franchisor's, their or Franchisee's losses and expenses, in order to maintain and recover fully a claim against Franchisee. Franchisee agrees that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts Franchisor or another Indemnified Party may recover from Franchisee. The terms of this Section 13 shall survive the termination, expiration or transfer of this Agreement or any interest herein.

14. RELATIONSHIP OF THE PARTIES

A Independent Contractor Relationship Franchisee agrees that the relationship created by this Agreement is not a fiduciary, special, or any other similar relationship, but rather is an arm's-length business relationship, and Franchisor owes Franchisee no duties except as expressly provided in this Agreement. Franchisee shall be an independent contractor, and nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, joint employer or servant of the other for any purpose. During the term of this Agreement, Franchisee shall hold itself out to the public as an independent contractor conducting its Business operations pursuant to the rights granted by Franchisor.

B No Authority Nothing in this Agreement authorizes Franchisee or any of the Principals to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name, and Franchisor shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, or for any act or omission of Franchisee or any of the Principals or any claim or judgment arising therefrom.

15. TERMINATION

A Default and Termination Franchisee acknowledges that each of Franchisee's obligations described in this Agreement is a material and essential obligation, that nonperformance of such obligations will adversely and substantially affect the Franchisor and the System, and that the exercise by Franchisor of the rights and remedies set forth herein is appropriate and reasonable.

B Automatic Termination Franchisee shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Franchisee, if Franchisee shall become insolvent or makes a general assignment for the benefit of creditors, or if Franchisee files a voluntary petition under any section or chapter of federal bankruptcy law or under any similar law or statute of the United States or any state thereof, or if an involuntary petition is filed with respect to Franchisee under any such laws and is not dismissed within sixty (60) days after it is filed, or if Franchisee admits in writing its inability to pay its debts when due, or if Franchisee is adjudicated as bankrupt or insolvent in proceedings filed against Franchisee under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state, or if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee, or if a receiver or other custodian (permanent or temporary) of Franchisee's assets or any part thereof, is appointed by any court of competent jurisdiction, or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee, or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed), or if Franchisee is dissolved, or if execution is levied against Franchisee's business, or if a judicial or non-judicial action to foreclose any lien or mortgage against the equipment is instituted against Franchisee and is not dismissed or settled by the earlier of (i) thirty (30) days from commencement or (ii) consummation of such sale, or if the personal property of Franchisee's Business shall be sold after levy thereupon by any sheriff, marshal or constable

C Termination on Notice, No Cure Franchisee shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon notice to Franchisee, upon the occurrence of any of the following events

(1) If Franchisee sells any products or services to any customers that are not located in the Territory, unless otherwise approved in writing by Franchisor,

(2) If Franchisee fails to open the Business within the period specified in Section 1 E of this Agreement

(3) If Franchisee at any time ceases to operate or otherwise abandons the Business, or otherwise forfeits the right to do or transact business in any jurisdiction located within the Territory

(4) If Franchisee or any of the Principals is convicted of, or has entered a plea of nolo contendere to, a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or Franchisor's interests therein

(5) If Franchisee or any of the Principals purports to transfer any rights or obligations under this Agreement or any interest in Franchisee or the Business to any third party without Franchisor's prior written consent

(6) If, contrary to the terms of Section 9 B , Franchisee or any of the Principals discloses or divulges any Confidential Information

(7) If Franchisee knowingly submits any false reports to Franchisor

(8) If Franchisee breaches in any material respect any of the covenants, or has falsely made any of the representations or warranties, set forth in Section 5, or if Franchisee makes any material misstatement or omission in the application for this franchise or in any other information provided to Franchisor

(9) If Franchisee fails to comply with Franchisor's quality assurance program and fails to cure any default thereunder within the applicable cure period

(10) If Franchisee or any affiliate of Franchisee is in default of any other agreement with Franchisor or its affiliate and fails to cure such default within the applicable cure period, if any

(11) If Franchisee or any of the Principals repeatedly commits a material event of default under this Agreement, whether or not such defaults are of the same or different nature and whether or not such defaults have been cured by Franchisee after notice by Franchisor

(12) If Franchisee fails to achieve the Minimum Performance Standard in two (2) or more Agreement Years (whether or not such Agreement Years are consecutive)

D Termination on Notice, Opportunity to Cure Except as provided in Sections 15 B and 15 C of this Agreement, upon any default by Franchisee which is capable of being cured, Franchisor may terminate this Agreement by giving Franchisee written notice of termination stating the nature of the default and the time period within which the default must be cured. Franchisee may avoid termination by immediately initiating a remedy to cure such default and curing it to Franchisor's satisfaction within the time period set forth below or any longer period that applicable law may require ("cure period"). If any such default is not cured within the cure period, this Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the cure period. Defaults which are susceptible of cure hereunder may include, but are not limited to, the following

(1) If Franchisee fails to procure and maintain the insurance policies required by Section 10 and fails to cure such default within seven (7) days following notice from Franchisor

(2) If Franchisee misuses or makes any unauthorized use of the Marks or otherwise materially impairs the goodwill associated therewith or Franchisor's rights therein and fails to cure such default within twenty-four (24) hours following notice from Franchisor

(3) If Franchisee fails to obtain the execution of the confidentiality and related covenants as required under Section 9 D of this Agreement within ten (10) days after being requested to do so by Franchisor and fails to cure such default within thirty (30) days following notice from Franchisor

(4) If Franchisee or any of its affiliates fails, refuses, or neglects promptly to pay any monies owed to Franchisor or any of its affiliates, when due under this Agreement or any other agreement, or fails to submit the financial or other information required by Franchisor under this Agreement, and does not cure such default within five (5) days following notice from Franchisor

(5) If Franchisee fails to pay when due any fee, expense, charge, or other amount due and owing to any creditor of Franchisee or supplier and does not cure within ten (10) days following notice from Franchisor

(6) If Franchisee fails to maintain or observe any of the standards, specifications or procedures (which includes, without limitation, selling and offering for sale only such Products contained on the Approved Products List or otherwise approved by Franchisor in writing), prescribed by Franchisor in this Agreement or otherwise in writing, and fails to cure such default within thirty (30) days following notice from Franchisor

(7) If Franchisee fails to comply with any other requirement imposed by this Agreement, or fails to carry out the terms of this Agreement in good faith and fails to cure such default within thirty (30) days following notice from Franchisor

(8) If Franchisee fails to comply with any other agreement made between the parties including but not limited to a Promissory Note and fails to cure such default within thirty (30) days following notice from Franchisor

(9) If Franchisee fails to designate a qualified replacement Operating Principal within thirty (30) days after any initial or successor Operating Principal ceases to serve

16. POST-TERMINATION

A Franchisee's Obligations Upon Termination Upon termination or expiration of this Agreement, all rights granted hereunder to Franchisee shall terminate, and Franchisee shall

(1) Immediately cease to operate the Business under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor

(2) Immediately and permanently cease to use, in any manner whatsoever, any Confidential Information, methods, procedures, and techniques associated with the System and the Marks Without limitation of the foregoing, Franchisee shall cease to use all signs, advertising materials, displays, stationery, forms and any other items which display the Marks

(3) Take such action as may be necessary to cancel any assumed name or equivalent registration which contains the mark "Made in the Shade, Blinds and More" or any other Mark, and furnish Franchisor with satisfactory evidence of compliance within five (5) days after termination or expiration of this Agreement

(4) Not use any reproduction, counterfeit, copy or colorable imitation of the Marks, in connection with any other business, which is likely to cause confusion, mistake, or deception, or which is likely to dilute Franchisor's rights in and to the Marks, nor shall Franchisee use any designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor constituting unfair competition

(5) Promptly pay all sums owing to Franchisor and its affiliates, and all damages, costs and expenses, including reasonable attorneys' fees and costs, incurred by Franchisor as a result of any default by Franchisee or in connection with obtaining injunctive or other relief for the enforcement of any provisions of this Section 16, which obligation shall give rise to and remain a lien in favor of Franchisor against any and all assets of Franchisee, until such obligations are paid in full

(6) Immediately deliver to Franchisor all Manuals, records, files, instructions, correspondence, Software Programs, and other materials related to the operation of the Business in Franchisee's possession or control, and all copies thereof, all of which are acknowledged to be Franchisor's property, and retain no copy or record of any of the foregoing, except Franchisee's copy of this Agreement and of any correspondence between the parties and any other documents which Franchisee reasonably needs for compliance with any provision of law

(7) Comply with the restrictions against the disclosure of Confidential Information in Section 9 of this Agreement and cause any other person required to execute similar covenants pursuant to Section 9 also to comply with such covenants

(8) At Franchisor's option, assign to Franchisor all rights to the telephone numbers of the Business and any related Yellow Pages trademark or other business listings and execute all forms and documents required by Franchisor and any telephone company at any time to transfer such service and numbers to Franchisor. Franchisee shall thereafter use different telephone numbers at or in connection with any subsequent business conducted by Franchisee.

B Assignment of Franchisor Rights Franchisor shall be entitled to assign any and all of its options in this Section 16 to any other party, without the consent of Franchisee.

17. MISCELLANEOUS

A Notices Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by expedited delivery service or certified or registered mail, return receipt requested, first-class postage prepaid, or sent by prepaid facsimile (provided that the sender confirms the facsimile by sending an original confirmation copy by expedited delivery service or certified or registered mail within three (3) Business Days after transmission) to the respective parties at the addresses set forth below unless and until a different address has been designated by written notice to the other party. Any notice shall be deemed to have been given (whether or not delivery is accepted) at the time of personal delivery or, in the case of expedited delivery service on the next Business Day, or, in the case of registered or certified mail, three (3) Business Days after the date and time of mailing, or, in the case of facsimile, upon transmission (provided confirmation is sent by expedited delivery service or registered or certified mail as provided below).

Notices to Franchisor

Made in the Shade Blinds and More LLC
2630 Rogers Fork
San Antonio, Texas 78258
Attention: Cathy Morse
Telephone (210) 479-6141
Facsimile (210) 479-0511

Notices to Franchisee and
the Principals

Attention _____
Telephone _____
Facsimile _____

B Entire Agreement This Agreement, the documents referred to herein, and the Attachments hereto, constitute the entire, full and complete agreement between Franchisor and Franchisee and the Principals concerning the subject matter hereof and except for any disclosures made in our Franchise Disclosure Document, shall supersede all prior related agreements. Except for those permitted to be made unilaterally by Franchisor hereunder, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

C No Waiver No delay, waiver, omission or forbearance on the part of Franchisor to exercise any right, option, duty or power arising out of any breach or default by Franchisee or the Principals under this Agreement shall constitute a waiver by Franchisor to enforce any such right, option, duty or power against Franchisee or the Principals, or as to a subsequent breach or default by Franchisee or the Principals.

D Approval or Consent Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor, and such approval or consent shall be obtained in writing. No waiver, approval, consent, advice or suggestion given to Franchisee, and no neglect, delay or denial of any request therefor, shall constitute a warranty or guaranty by Franchisor, nor does Franchisor assume any liability or obligation to Franchisee or any third party as a result thereof.

E Severability Except as expressly provided to the contrary herein, each portion, section, part, term and provision of this Agreement shall be considered severable, and if, for any reason, any portion, section, part, term or provision is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, this shall not impair the operation of, or have any other effect upon, the other portions, sections, parts, terms or provisions of this Agreement that may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties, the invalid portions, sections, parts, terms or provisions shall be deemed not to be part of this Agreement, and there shall be automatically added such portion, section, part, term or provision as similar as possible to that which was severed which shall be valid and not contrary to or in conflict with any law or regulation.

F. MEDIATION. FRANCHISOR AND FRANCHISEE ACKNOWLEDGE THAT DURING THE TERM OF THIS AGREEMENT CERTAIN DISPUTES MAY ARISE THAT FRANCHISOR AND FRANCHISEE ARE UNABLE TO RESOLVE, BUT THAT MAY BE RESOLVABLE THROUGH MEDIATION. TO FACILITATE SUCH RESOLUTION, FRANCHISOR AND FRANCHISEE AGREE TO SUBMIT ANY CLAIM, CONTROVERSY OR DISPUTE BETWEEN FRANCHISOR OR ANY OF FRANCHISOR AFFILIATES (AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES AND/OR EMPLOYEES) AND FRANCHISEE (AND FRANCHISEE'S OWNERS, AGENTS, REPRESENTATIVES AND/OR EMPLOYEES) ARISING OUT OF OR RELATED TO (a) THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN FRANCHISOR AND FRANCHISEE, (b) FRANCHISOR'S RELATIONSHIP WITH FRANCHISEE, OR (c) THE VALIDITY OF THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN FRANCHISOR AND FRANCHISEE, TO MEDIATION BEFORE BRINGING SUCH CLAIM, CONTROVERSY OR DISPUTE IN A COURT OR BEFORE ANY OTHER TRIBUNAL.

(1) THE MEDIATION SHALL BE CONDUCTED BY A MEDIATOR AGREED UPON BY FRANCHISOR AND FRANCHISEE AND, FAILING SUCH AGREEMENT WITHIN NOT MORE THAN FIFTEEN (15) DAYS AFTER EITHER PARTY HAS NOTIFIED THE OTHER OF ITS DESIRE TO SEEK MEDIATION, BY THE AMERICAN ARBITRATION ASSOCIATION OR ANY SUCCESSOR ORGANIZATION ("AAA") IN ACCORDANCE WITH ITS RULES GOVERNING MEDIATION. MEDIATION SHALL BE HELD AT THE OFFICES OF THE AAA NEAREST TO SAN ANTONIO, TEXAS. THE COSTS AND EXPENSES OF MEDIATION, INCLUDING THE COMPENSATION AND EXPENSES OF THE MEDIATOR (BUT EXCLUDING ATTORNEYS' FEES INCURRED BY EITHER PARTY), SHALL BE BORNE BY THE PARTIES EQUALLY.

(2) IF THE PARTIES ARE UNABLE TO RESOLVE THE CLAIM, CONTROVERSY OR DISPUTE WITHIN NINETY (90) DAYS AFTER THE MEDIATOR HAS BEEN CHOSEN, THEN, UNLESS SUCH TIME PERIOD IS EXTENDED BY WRITTEN AGREEMENT OF THE PARTIES, EITHER PARTY MAY BRING A LEGAL PROCEEDING PURSUANT TO SECTION 17.G. FRANCHISOR AND FRANCHISEE AGREE THAT STATEMENTS MADE BY EITHER FRANCHISOR OR FRANCHISEE IN ANY SUCH MEDIATION PROCEEDING WILL NOT BE ADMISSIBLE FOR ANY PURPOSE IN ANY SUBSEQUENT LEGAL PROCEEDING.

(3) NOTWITHSTANDING THE FOREGOING PROVISIONS OF THIS SECTION 17.F, FRANCHISOR'S AND FRANCHISEE'S AGREEMENT TO MEDIATE SHALL NOT APPLY TO CONTROVERSIES, DISPUTES OR CLAIMS RELATED TO OR BASED ON THE MARKS OR THE CONFIDENTIAL INFORMATION. MOREOVER, REGARDLESS OF FRANCHISOR'S AND FRANCHISEE'S AGREEMENT TO MEDIATE, FRANCHISOR AND FRANCHISEE EACH HAVE THE RIGHT IN A PROPER CASE TO SEEK TEMPORARY RESTRAINING ORDERS AND TEMPORARY OR PRELIMINARY INJUNCTIVE RELIEF.

G. LITIGATION. WITH RESPECT TO ANY CONTROVERSIES, DISPUTES OR CLAIMS WHICH ARE NOT FINALLY RESOLVED THROUGH MEDIATION AS PROVIDED IN SECTION 17.F ABOVE, THE PARTIES IRREVOCABLY SUBMIT THEMSELVES TO THE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE JURISDICTION IN WHICH FRANCHISOR MAINTAINS ITS PRINCIPAL PLACE OF BUSINESS AND HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. FRANCHISOR AND FRANCHISEE AGREE THAT SERVICE OF PROCESS MAY BE MADE UPON THEM IN ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY TEXAS OR FEDERAL LAW. FRANCHISOR AND FRANCHISEE FURTHER AGREE THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE THE STATE AND FEDERAL COURTS FOR JURISDICTION IN WHICH FRANCHISOR MAINTAINS ITS PRINCIPAL PLACE OF BUSINESS.

H. GOVERNING LAW EXCEPT TO THE EXTENT GOVERNED BY THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.) OR OTHER FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN FRANCHISOR AND FRANCHISEE WILL BE GOVERNED BY AND INTERPRETED AND CONSTRUED UNDER TEXAS LAW (EXCEPT FOR TEXAS CONFLICT OF LAW RULES).

I. PARTIES' ACKNOWLEDGMENTS FRANCHISOR AND FRANCHISEE ACKNOWLEDGE THAT THE AGREEMENTS REGARDING APPLICABLE LAW AND FORUM SET FORTH ABOVE PROVIDE EACH OF THE PARTIES WITH THE MUTUAL BENEFIT OF UNIFORM INTERPRETATION OF THIS AGREEMENT AND ANY DISPUTE ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT. FRANCHISOR AND FRANCHISEE FURTHER ACKNOWLEDGE THE RECEIPT AND SUFFICIENCY OF MUTUAL CONSIDERATION FOR SUCH BENEFIT.

J. WAIVER OF PUNITIVE DAMAGES EXCEPT WITH RESPECT TO FRANCHISEE'S OBLIGATION TO INDEMNIFY FRANCHISOR PURSUANT TO SECTION 13 AND CLAIMS FRANCHISOR BRING AGAINST FRANCHISEE FOR FRANCHISEE'S UNAUTHORIZED USE OF THE MARKS OR UNAUTHORIZED USE OR DISCLOSURE OF ANY CONFIDENTIAL INFORMATION, FRANCHISOR AND FRANCHISEE AND FRANCHISEE'S PRINCIPALS WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN FRANCHISOR AND FRANCHISEE, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

K. LIMITATIONS OF CLAIM EXCEPT FOR CLAIMS FRANCHISOR BRINGS WITH REGARD TO FRANCHISEE'S OBLIGATIONS TO INDEMNIFY FRANCHISOR

PURSUANT TO SECTION 13, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN FRANCHISOR AND FRANCHISEE PURSUANT TO THIS AGREEMENT WILL BE BARRED UNLESS AN ACTION IS COMMENCED WITHIN ONE (1) YEAR FROM THE DATE ON WHICH THE ACT OR EVENT GIVING RISE TO THE CLAIM OCCURRED, OR ONE (1) YEAR FROM THE DATE ON WHICH FRANCHISOR OR FRANCHISEE KNEW OR SHOULD HAVE KNOWN, IN THE EXERCISE OF REASONABLE DILIGENCE, OF THE FACTS GIVING RISE TO SUCH CLAIMS, WHICHEVER OCCURS FIRST

L. JURY WAIVER FRANCHISOR AND FRANCHISEE HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY ACTION ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE RELATIONSHIP CREATED BY THIS AGREEMENT, OR ANY OTHER AGREEMENTS BETWEEN FRANCHISOR AND FRANCHISEE OR FRANCHISOR'S AND FRANCHISEE'S RESPECTIVE AFFILIATES THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS WRITTEN CONSENT TO A TRIAL BY THE COURT.

M Counterpart Execution This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument

N Headings The captions used in connection with the sections and subsections of this Agreement are inserted only for purpose of reference Such captions shall not be deemed to govern, limit, modify or in any other manner affect the scope, meaning or intent of the provisions of this Agreement or any part thereof nor shall such captions otherwise be given any legal effect

O Survival Any obligation of Franchisee or the Principals that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of Franchisee or the Principals therein, shall be deemed to survive such termination, expiration or transfer Without limitation of the foregoing, the provisions of Sections 17 F , G and H are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination

P Gender All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable Without limiting the obligations individually undertaken by the Principals under this Agreement, all acknowledgments, promises, covenants, agreements and obligations made or undertaken by Franchisee in this Agreement shall be deemed, jointly and severally, undertaken by all of the Principals

Q Remedies Cumulative All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between Franchisee or any of its affiliates, and Franchisor or any of its affiliates The rights and remedies of the parties to this Agreement shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient, and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time The expiration, earlier termination or exercise of Franchisor's rights pursuant to Section 15 of this Agreement shall not discharge or release Franchisee or any of the Principals from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the

expiration, the earlier termination or the exercise of such rights under this Agreement. Additionally, Franchisee and the Principals shall pay all court costs and reasonable attorneys' fees and costs incurred by Franchisor in obtaining any remedy available to Franchisor for any violation of this Agreement.

R No Third Party Beneficiary Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisee, Franchisor, Franchisor's officers, directors and personnel and such of Franchisee's and Franchisor's respective successors and assigns as may be contemplated (and, as to Franchisee, authorized by Section 12), any rights or remedies under or as a result of this Agreement.

S Further Assurances The parties will promptly execute and deliver such further documents and take such further action as may be necessary in order to effectively carry out the intent and purposes of this Agreement.

T Agreement Effective Upon Execution by Franchisor This Agreement shall not become effective until signed by an authorized representative of Franchisor.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized representative.

FRANCHISOR:

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____

FRANCHISEE:

a _____

By _____
Name _____
Title _____

ATTACHMENT A

PRINCIPALS' GUARANTY AND ASSUMPTION AGREEMENT

This Guaranty and Assumption Agreement (the "Guaranty") is given this _____ day of _____, 20__, in consideration of, and as an inducement to Made in the Shade Blinds and More LLC ("Franchisor") to enter into that certain Franchise Agreement dated _____ (the "Agreement") with _____ ("Franchisee") Each of the undersigned and any other parties who sign counterparts of this Guaranty (referred to herein individually as a "Guarantor" and collectively as "Guarantors") are Principals (as defined in the Agreement) of Franchisee and will receive material benefit from the execution of the Agreement by Franchisor

Each Guarantor hereby personally and unconditionally guarantees to Franchisor and its successors and assigns, that Franchisee will punctually perform its obligations and pay all amounts due under the Agreement, including, without limitation, amounts due for initial franchise fees, other fees, and purchases of equipment, materials, and supplies

Each Guarantor waives

- (i) acceptance and notice of acceptance by Franchisor of the foregoing undertakings, and
- (ii) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed, and
- (iii) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and
- (iv) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability, and
- (v) all rights to payments and claims for reimbursement or subrogation which he or she may have against Franchisee arising as a result of his or her execution of and performance under this Guaranty, and
- (vi) any and all other notices and legal or equitable defenses to which he or she may be entitled

Each Guarantor consents and agrees that

- (a) his or her direct and immediate liability under this Guaranty will be joint and several not only with Franchisee, but also among the Guarantors, and
- (b) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so, and
- (c) such liability will not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person, and

- (d) such liability will not be diminished, relieved or otherwise affected by any subsequent rider or amendment to the Agreement or by any extension of time, credit or other indulgence that Franchisor may from time to time grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable throughout the term of the Agreement and for so long thereafter as there are any monies or obligations owing by Franchisee to Franchisor under the Agreement, and
- (e) Franchisee's written acknowledgment, accepted in writing by us, or the judgment of any court or arbitration panel of competent jurisdiction establishing the amount due from Franchisee will be conclusive and binding on the undersigned as Guarantors

Each Guarantor also makes all of the covenants, representations, warranties and agreements of the Principals set forth in the Franchise Agreement and is obligated to perform thereunder, including, without limitation, under Sections 5, 6, 9, 12, 13, 16, 17 F, G, H, J, K, and L

If Franchisor is required to enforce this Guaranty in an administrative, judicial or arbitration proceeding, and prevail in such proceeding, Franchisor will be entitled to reimbursement of Franchisor's costs and expenses, including, but not limited to, legal and accounting fees and costs, administrative, arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of an administrative, judicial or arbitration proceeding and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the Guarantors will reimburse Franchisor for any of the above-listed costs and expenses incurred by Franchisor.

IN WITNESS WHEREOF, each Guarantor has hereunto affixed his signature on the same day and year as the Agreement was executed

PRINCIPALS

*Name _____

Name _____

Name _____

Name _____

* Denotes individual who is Franchisee's Operating Principal

ATTACHMENT B

CONFIDENTIALITY AGREEMENT AND ANCILLARY COVENANTS NOT TO COMPETE

This Agreement is made and entered into this ____ day of _____, 20__, between Made in the Shade Blinds and More LLC, a Texas limited liability company ("Franchisor"), _____, a _____ ("Franchisee") and _____ ("Covenantor") in connection with a franchise agreement between Franchisor and Franchisee dated _____, 20__ ("Franchise Agreement"). Initially capitalized terms used, but not defined in this Agreement, have the meanings contained in the Franchise Agreement.

RECITALS

Franchisor has the right to use and license the use of a System for the establishment and operation of MITS Businesses.

The System is identified by certain Marks including, the mark "Made in the Shade, Blinds and More," and includes certain Confidential Information which provides economic advantages to Franchisor and licensed users of the System.

Franchisor has granted Franchisee the right to operate a MITS Business pursuant to the Franchise Agreement.

In connection with his or her duties, it will be necessary for Covenantor to have access to some or all of the Confidential Information.

Franchisor and Franchisee have agreed on the importance of restricting the use, access and dissemination of the Confidential Information, and Franchisee therefore has agreed to obtain from Covenantor a written agreement protecting the Confidential Information.

Covenantor acknowledges that receipt of and the right to use the Confidential Information constitutes independent valuable consideration for the representations, promises and covenants made by Covenantor herein.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

Confidentiality Agreement

1. Covenantor shall, at all times, maintain the confidentiality of the Confidential Information and shall use such Confidential Information only in the course of his or her employment by or association with Franchisee in connection with the operation of a MITS Business under the Franchise Agreement.

2. Covenantor shall not at any time make copies of any documents or compilations containing some or all of the Confidential Information without Franchisor's express written permission.

3 Covenantor shall not at any time disclose or permit the disclosure of the Confidential Information except to other employees of Franchisee and only to the limited extent necessary to train or assist other employees of Franchisee in the operation of the Business

4 Covenantor shall surrender any material containing some or all of the Confidential Information to Franchisee or Franchisor, upon request, or upon termination of employment by Franchisee

5 Covenantor shall not at any time, directly or indirectly, do any act or omit to do any act that would or would likely be injurious or prejudicial to the goodwill associated with the System

6 Covenantor acknowledges that Franchisor grants Franchisee access to the Manuals for limited purposes only and that the Manuals remain the property of Franchisor. Covenantor agrees that no Manuals may be reproduced, in whole or in part, without Franchisor's written consent

Covenants Not to Compete

In order to protect the goodwill of the System, and in consideration for the disclosure of the Confidential Information to Covenantor, Covenantor agrees that, during the term of his or her association with or employment by Franchisee, and for a period of one (1) year following the earlier of (i) the termination thereof, or (ii) the termination, expiration or transfer of Franchisee's interest in the Franchise Agreement, Covenantor will not, without Franchisor's prior written consent or as permitted under valid Franchise Agreements for MITS Businesses

a Directly or indirectly divert, or attempt to divert any business opportunity or customer of the Business to any competitor, and

b Directly or indirectly, for himself or through, on behalf of, or in conjunction with any other person, persons, partnership, corporation, limited liability company, or other association, or entity, own, maintain, operate, engage in or have any financial or beneficial interest in, advise, assist or make loans to, any business which is the same as or similar to a MITS Business (including, without limitation, any business which primarily offers and sells window coverings and other similar household or commercial products) and which is, or is intended to be, located within (i) the Territory, (ii) within a twenty-five (25) mile radius of the Territory, or (iii) within a twenty-five (25) mile radius of any other MITS Business then in existence or under development]

Principal's Undertaking

Covenantor also makes all of the covenants, representations, warranties and agreements of the Principals set forth in Sections 9 B , 9 C , 12, and 17 F , G , H , J , K and L of the Franchise Agreement and is obligated to perform thereunder

Miscellaneous

1 Franchisee shall make all commercially reasonable efforts to ensure that Covenantor acts as required by this Agreement

2 Covenantor agrees that

a Each of the covenants herein contain reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of Franchisor

b Each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which Franchisor is a party, Covenantor shall be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement

c In the event of a breach of this Agreement, Franchisor would be irreparably injured and without an adequate remedy at law and, therefore, upon any such breach or attempted breach of any provision hereof, Franchisor shall be entitled, in addition to any other remedies which it may have at law or in equity, to a temporary and/or permanent injunction and a decree for the specific performance of the terms of this Agreement, without the necessity of showing actual or threatened harm and without being required to furnish a bond or other security

3 Covenantor agrees to pay all expenses (including court costs and reasonable attorneys' fees and costs) incurred by Franchisor and Franchisee in enforcing this Agreement

4 Any failure by Franchisor or the Franchisee to object to or take action with respect to any breach of any provision of this Agreement by Covenantor shall not operate or be construed as a waiver of or consent to that breach of any subsequent breach by Covenantor

5. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF TEXAS, WITHOUT REFERENCE TO TEXAS CONFLICT OF LAW PRINCIPLES. COVENANTOR HEREBY IRREVOCABLY SUBMITS HIMSELF TO THE JURISDICTION OF THE STATE AND FEDERAL OF THE JURISDICTION IN WHICH FRANCHISOR MAINTAINS ITS PRINCIPAL PLACE OF BUSINESS. COVENANTOR HEREBY WAIVES ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. COVENANTOR HEREBY AGREES THAT SERVICE OF PROCESS MAY BE MADE UPON HIM IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY TEXAS LAW. COVENANTOR FURTHER AGREES THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE IN THE STATE AND FEDERAL COURTS OF THE JURISDICTION IN WHICH FRANCHISOR MAINTAINS ITS PRINCIPAL PLACE OF BUSINESS; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION WHICH INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, FRANCHISOR OR FRANCHISEE MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE WHICH HAS JURISDICTION.

6 This Agreement contains the entire agreement of the parties regarding the subject matter hereof. This Agreement may be modified only by a duly authorized writing executed by all parties

7 Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by expedited delivery service or certified or registered mail, return

receipt requested, first-class postage prepaid, or sent by facsimile or electronic mail to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other parties

If directed to Franchisor, the notice shall be addressed to

Made in the Shade Blinds and More LLC
2630 Rogers Fork
San Antonio, Texas 78258
Attention Cathy Morse
Telephone (210) 479-6141
Facsimile (210) 479-0511

If directed to Franchisee, the notice shall be addressed to

Attention _____
Facsimile () _____

If directed to Covenantor, the notice shall be addressed to

Attention _____
Facsimile () _____

Any notice shall be deemed to have been given at the time of personal delivery or, in the case of expedited delivery service on the next Business Day, or, in the case of registered or certified mail, three (3) Business Days after the date and time of mailing, or, in the case of facsimile or electronic mail, upon transmission (provided confirmation is sent by expedited delivery service or registered or certified mail)

8 The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and shall inure to the benefit of its respective affiliates, successors and assigns. The respective obligations of Franchisee and Covenantor hereunder may not be assigned by Franchisee or Covenantor, without the prior written consent of Franchisor.

{SIGNATURES APPEAR ON THE FOLLOWING PAGE}

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below

FRANCHISOR:

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____
Date _____

FRANCHISEE:

By _____
Name _____
Title _____
Date _____

COVENANTOR:

By _____
Name _____
Title _____
Date _____

* If Franchisor will not be a party, delete reference and modify the agreement to reflect, including the addition of the following third party beneficiary language "Franchisor and Franchisor's successors and assigns shall be third party beneficiaries of this Agreement, with the full and independent right, at Franchisor's and their option and in Franchisor's and their sole discretion, to enforce this Agreement "

ATTACHMENT C

**SELECTED TERMS:
TERRITORY, OFFICE LOCATION, AND OPENING DATE**

1 TERRITORY

2 OFFICE LOCATION The Office shall be located at the following address

3 OPENING DATE The Opening Date of the Business is _____, 20__

ATTACHMENT D

STATEMENT OF OWNERSHIP INTERESTS AND MANAGEMENT INFORMATION

- 1 The following is a list of all shareholders, partners, members or other investors owning a direct or indirect interest in Franchisee, and a description of the nature of their interest

NAME	OWNERSHIP INTEREST IN FRANCHISEE	NATURE OF INTEREST

- 2 The following is a list of all of Franchisee's Principals who are signing the Confidentiality Agreement substantially in the form set forth in Attachment B to the Franchise Agreement instead of signing the Principals' Guaranty and Assumption Agreement

- 3 Franchisee's Operating Principal is _____

ATTACHMENT E

DEFINITIONS

“Anti-Terrorism Laws” means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U S Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U S Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U S Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control (a k a OFAC)) addressing or in any way relating to terrorist acts and acts of war

An “affiliate” of a named person is any person or entity that is controlled by, controlling or under common control with such named person

“Agreement Year” means each twelve (12) month period during the term of this Agreement, beginning on the first day of the month following the Opening Date and continuing until the expiration or termination of this Agreement. A partial Agreement Year between the end of the last full Agreement Year and the termination or expiration of this Agreement shall also constitute a separate Agreement Year

“Approved Products List” means the list of items approved by Franchisor for sale in the MITS Business and which Franchisee is required to offer for sale in the Business. Franchisor will update the Approved Products List from time to time and provide Franchisee with the updated list. The Approved Products List shall and any updates thereto shall be deemed to be part of the Manual for all purposes

“Business” or “MITS Business” means the business operated by Franchisee in the Territory pursuant to this Agreement

“Business Day” means each day other than a Saturday, Sunday, U S holidays or any other day on which the Federal Reserve is not open for business in the United States

“Computer System” means the computer hardware and software that Franchisor may designate from time to time for use in the operation of MITS Businesses

“Confidential Information” means all proprietary and confidential information relating to the establishment and operation of MITS Businesses, including, without limitation (i) Franchisor’s standards and specifications, including equipment, product, inventory, and supplier standards and specifications, (ii) advertising and marketing plans and programs, (iii) research, development and test programs for products, inventory, services and operations, (iv) the contents of the Manuals, (v) knowledge of the operating and financial results of MITS Businesses, other than Franchisee’s Business, and (vi) computer programs and systems, including electronic data files and passwords

“Controlling Interest” means (a) if Franchisee is a corporation, that the Principals, either individually or cumulatively, (i) directly or indirectly own at least fifty-one percent (51%) of the shares of each class of Franchisee’s issued and outstanding capital stock and (ii) be entitled, under its governing documents and under any agreements among the shareholders, to cast a sufficient number of votes to

require such corporation to take or omit to take any action which such corporation is required to take or omit to take under this Agreement, or (b) if Franchisee is a partnership, that the Principals (i) own at least fifty-one percent (51%) interest in the operating profits and operating losses of the partnership as well as at least fifty-one percent (51%) ownership interest in the partnership (and at least fifty-one percent (51%) interest in the shares of each class of capital stock of any corporate general partner) and (ii) be entitled under its partnership agreement or applicable law to act on behalf of the partnership without the approval or consent of any other partner or be able to cast a sufficient number of votes to require the partnership to take or omit to take any action which the partnership is required to take or omit to take under this Agreement

“Internet” means a global computer-based communications network

“Intranet” means a restricted global computer-based communications network

“Franchisee’s Principals” shall include, collectively and individually, Franchisee’s spouse, all officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) whom Franchisor designates as Franchisee’s Principals, and all holders of an ownership interest in Franchisee and of any entity directly or indirectly controlling Franchisee

“Manual” or “Manuals” means Franchisor’s confidential operations manual, which may consist of one or more manuals, containing Franchisor’s mandatory and suggested standards, specifications and operating procedures relating to the development and operation of MITS Businesses and Franchisee’s obligations under this Agreement. The term also includes alternative or supplemental means of communicating information to Franchisee, including bulletins, videotapes, audio tapes, compact discs, computer diskettes, CD ROMs and electronic communications

“Manufacturer Product Purchases” means the total Product purchase price paid by Franchisee to designated and non-designated Product suppliers, excluding delivery fees, service fees, sales, use, merchants’ or other taxes measured on the basis of the gross sales of the MITS Business imposed by governmental authorities directly on sales or use and collected from customers, and cash refunds and credits

“Opening Date” means the date the MITS Business opens to the public for business

“Software Programs” means the proprietary or other software programs developed or acquired by or on behalf of Franchisor for use by MITS Businesses

“Taxes” means any present or future taxes, levies, imposts, duties or other charges of whatsoever nature, including any interest or penalties thereon, imposed by any government or political subdivision of such government on or relating to the operation of the franchised business, the payment of monies, or the exercise of rights granted pursuant to this Agreement, except taxes imposed on or measured by Franchisor’s net income

“Territory” means the geographic area assigned to Franchisee upon the execution of this Agreement and described on Attachment C, exclusive of any reserved rights described in Section 1 C, within which Franchisee will be afforded the protections described in Section 1 B of this Agreement

EXHIBIT C

LIST OF FRANCHISEES AS OF DECEMBER 31, 2016

CALIFORNIA

Dean DeAscentis
1440 El Camino Verde Drive
Lincoln, California 95648
Phone 408-687-7037

Darrell Sutton
21276 White Pine Drive
Suite 55
Telachapi, California 93561
Phone 661-472-0300

COLORADO

Rhonda Bruschke
3941 Roaring Fork Dr
Loveland, CO 80538
Phone 970-593-9882

FLORIDA

Steve Brewer
3710 NW 4th Ave
Deerfield, FL 33064
Phone 954-464-3770 Paul & Janna Kiersnowski
Granite Sun LLC
241 Leslie Lane
Lake Mary, FL 32746
Phone 407-302-1668

Richard Robinson
11544 Forest Mere Dr
Bonita Springs, FL 34134
Phone 239-248-0231

Dane & Jodie Straub
3871 Indian Trail, 6G
Destin, FL 32541
Phone 740-253-6746

GEORGIA

Allyson and Eddie Roberts
112 Colonial Drive
St Simons Island, GA 31522
Phone 912-571-9625

ILLINOIS

Susan L Mikel
9913 Wolf Hill Rd
Bloomington, IL 61704
Phone 309-378-2906

Meysoon Musa
8200 Forestview Dr
Orland Park, IL 60462
Phone 708-334-3747

IOWA

David DeLeon
623 Water Street, Suite B
Sioux City, IA 51103

Michael Nigro
1495 SE Tradon Drive
Waukee, IA 50263
Phone 515-202-6944

KANSAS

Farah Ferguson
217 Mill Street
Hartford, KS 66854
Phone 1-888-392-5969

LOUISIANA

Kenneth DuBois
3152 Lillian Main Dr
Gray, LA 70359
Phone 985-226-0776

MICHIGAN

Joe Lalonde
1309 N Dean Bay City, MI 48706
Phone 989-245-3182

Jeffrey Lautner
824 ½ W Front St
Traverse City, MI 49684
Phone 231-409-1985

MINNESOTA

Jeff and Bea Richardson
1417 Oakpointe Dr
Waconia, MN 55387
Phone 248-935-9390

MISSOURI

Andrew Morstatter
5985 NW 48th Street
Kansas City MO 64151
Phone 816-665-6982

NEBRASKA

Randy and Kim Foster
5007 N 140th Street
Omaha, NE 68164
Phone 402-707-1222

Matt and Jenni Nielsen
P O Box 1093
Kearney, NE 68848-1093
Phone 308-224-3241

NEVADA

Keith Boniface and Lauretta Hanrahan
1832 Country Meadows Drive
Henderson, NV 89012

NORTH DAKOTA

Scott and Diana Ohman
4100 Sun Circle
Grand Forks, ND 58201
Phone 701-317-5597

OHIO

Michelle Weaver
9495 Greystone Pkwy
Brecksville, Ohio 44141
Phone 440-665-6777

OREGON

Joshua Vandevander
928 Pittview Court
Central Point, OR 97502

PENNSYLVANIA

Robert and Kimberly McConnell
138 Donley Dr
Monroeville, PA 15146
Phone 412-480-5081

TENNESSEE

David W Shelton
682 Salem Ridge Road
Clarksville, TN 37040
Phone 931-378-5157

TEXAS

Stephen DiPasquale
28 Whistling Wind Ln
Wimberley, TX 78676
Phone 512-618-3470

Matt and Kelli Houston
708 Cowal Dr South
Spicewood, TX 78669
Phone 830-477-1927

Josh Morse
18842 Rogers Pass
San Antonio, TX 78258
Phone 210-724-1280

Cheryl Thompson
7111 Mission Court Drive
Houston, Texas 77083
Phone 832-259-8554

UTAH

Robert Morris
2405 Pasture Lane
Washington, UT 84780

VIRGINIA

Bobby and Rosaland Jackson
9314 Nancy Street
Manassas Park, VA 20111
Phone 703-216-6690

WISCONSIN

Tom Bitz
S68W17565 Marybeck Lane
Muskego, WI 53150
Phone 414-559-4003

Scott Wedl
605 S Center Ave
Jefferson, WI 53549
Phone 920-723-1734

WYOMING

Kevin & Angela Miller
Milcor Ventures LLC
402 N Beverly
Casper, WY 82609
Phone 307-259-4091

**LIST OF FRANCHISEES WHO SIGNED FRANCHISE AGREEMENTS BUT WERE NOT
OPERATIONAL AS OF DECEMBER 31, 2016**

LOUISIANA

Rhonda Landry
112 South Dr
Covington, LA 70433
Phone 504-616-5186

NORTH CAROLINA

Roxane and Todd Papora
14330 Harvington Drive
Huntersville, NC 28078
Phone 704-620-1869

Heather and John Proctor
4716 Norbury Place
Raleigh, NC 27614
Phone 919-389-8875

EXHIBIT D

LIST OF PRE-EXISTING DEALERS AS OF DECEMBER 31, 2016

None

EXHIBIT E

**LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM
AS OF DECEMBER 31, 2016**

None

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

EXHIBIT F

MANUAL TABLE OF CONTENTS

Made in the Shade Blinds and More
Franchise Operations and Training Manual
Table of Contents

Section 1: (7 pages)

Training Plan - New Dealer Homework

Section 2: (20 pages)

Guideline for Success Selling, Planning and Estimating

Section 3: (5 pages)

How To Price Your Jobs Competitively

Section 4: (18 pages)

Product Training

Section 5: (18 pages)

Marketing How We Find Our Customers

Section 6: (8 pages)

The Sales Appointment and The Sales Presentation

Section 7: (24 pages)

Measuring

Section 8: (7 pages)

Closing the Sale

Section 9: (35 pages)

Money-Making Marketing Strategies

Section 10: (17 pages)

General Tips/ Helpful Checklists

Total pages: 159

EXHIBIT G

PROMISSORY NOTE

PROMISSORY NOTE

\$20,000 00

Dated _____, 20__

FOR VALUE RECEIVED, _____ ("Borrower" or "Payor"), promises to pay to the order of Made in the Shade Blinds and More LLC ("Lender" or "Payee"), a Texas limited liability company, located at 2630 Rogers Fork, San Antonio, Texas 78258, or such other place as the holder of this Note may from time to time designate in writing, the principal sum of Twenty Thousand and 00/100 Dollars (\$20,000 00), or so much thereof as may be advanced in lawful money of the United States, with interest accruing on the unpaid principal balance from time to time remaining unpaid prior to maturity as follows

- 1) **Payments of Principal and Interest** The principal and interest of this Note shall be payable as follows
 - a) Interest on this Note shall accrue at the rate of eight (8%) percent per annum, and
 - b) Equal monthly installments of principal and interest in the amount of [Amount in Dollars (\$00 00)], shall be due and payable commencing on the 1st day of [Month, 20XX], with a like installment due and payable on the first day of each succeeding month thereafter to maturity. All payments made as scheduled on this Note shall be applied, to the extent thereof, first to accrued but unpaid interest and the balance to unpaid principal
- 2) **Maturity** This Note shall mature (*i e*, all outstanding principal, together with all accrued interest which has not been paid, shall be due and payable in full) on [Maturity Date - Month, Day, 20XX]
- 3) **Prepayment** Provided Borrower is not in default under the terms of this Note, the Security Agreement (as defined below) or any other document evidencing, governing or securing the loan evidenced by this Note (collectively, the "Loan Documents"), Borrower may prepay the principal of this Note in whole or in part, at any time, or from time to time, without penalty or premium, and interest shall immediately cease to accrue on any amount so prepaid
- 4) **Partial Payment** If Lender at any time receives or accepts payment from or for the account of Borrower of less than the full amount when due on this Note, such receipt or acceptance shall, unless Lender expressly agrees otherwise in writing, be deemed a payment on account only, and shall not cure any default existing by reason of failure to pay the full amount when due, nor preclude the exercise of any remedy of Lender including, but not limited to, acceleration of any unmatured portion hereof, or foreclosure on any security

- 5) Security Instrument This Note is secured by, among other things, the provisions of a certain Security Agreement (the "Security Instrument") dated of even date herewith, by and between Lender and Borrower, as more fully described in the Security Instrument
- 6) Events of Default and Remedies At the option of the holder of this Note, the entire unpaid principal balance of, and all accrued interest on, this Note shall immediately become due and payable upon the occurrence at any time of any one or more of the following (herein referred to as an "Event of Default")
- a) Borrower shall fail to pay the principal of or interest on this Note as and when the same becomes due and payable in accordance with the terms hereof, and such failure shall continue for a period of ten (10) days after receipt of written notice from Lender specifying such failure, provided, however, that Lender shall be obligated to give only one (1) such notice in any calendar year and, after the giving of such one notice, Lender shall be entitled to exercise its remedies upon any subsequent default occurring within such calendar year without any requirement of notice, or
 - b) Borrower shall fail to perform any other covenant, condition, obligation or agreement set forth in this Note, the Security Instrument or any other Loan Document, other than as set forth in paragraph 6(a) above

If an Event of Default shall occur, Lender may (a) declare the entire balance of this Note, principal and interest, immediately due and payable, (b) exercise any rights under the Security Instrument or any other right contained in any other Loan Document, and (c) exercise any other remedy provided by law or equity. No remedy referred to herein is intended to be exclusive, but each shall be cumulative, and the exercise or beginning of exercise by Lender of any one or more of such remedies should not preclude the simultaneous or later exercise of any or all of such remedies. Any failure of Lender to exercise any rights or remedies available to Lender if an Event of Default should occur shall not constitute a waiver of Lender's right to exercise such rights or remedies in the event of any subsequent Event of Default

- 7) Late Charge In the event that Payee has not received any installment due under the terms of this note (other than the payments required on the Maturity Date) on or before the date thirty (30) days after the date such installment is due and payable, Maker will be charged, and Maker hereby agrees to pay to Payee, a late charge equal to ten (10%) percent of the amount of such installment (which includes principal and interest) then due and payable. Maker shall be obligated to pay no more than one (1) late charge with respect to any installment, and no late charge shall be imposed on the payments due on the Maturity Date, but all amounts outstanding on the Maturity Date shall accrue interest after the Maturity Date as herein provided
- 8) Controlling Agreement All agreements between Borrower and Lender, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency or event whatsoever, whether by reason of demand or acceleration of

the maturity hereof or otherwise, shall the interest contracted for, charged, received, paid or agreed to be paid to Holder exceed interest computed at the Maximum Rate (as defined below) If, from any circumstance whatsoever, interest would otherwise be payable to Holder in excess of interest computed at the Maximum Rate, the interest payable to Holder shall be reduced to interest computed at the Maximum Rate, and if from any circumstance Holder shall ever receive anything of value deemed interest by applicable law in excess of interest computed at the Maximum Rate, an amount equal to any excessive interest shall be applied to the reduction of the principal hereof and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal hereof, such excess shall be refunded to the Borrower All interest paid or agreed to be paid to Lender shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period until payment in full of the principal (including the period of any renewal or extension hereof) so that the interest hereon for such full period shall not exceed interest computed at the Maximum Rate This section shall control all agreements between Borrower and Lender The term "Maximum Rate" shall mean the highest lawful rate of interest applicable to the loan transaction evidenced by this Note taking into account whichever of applicable federal law or Texas law permits the higher rate of interest, and after also taking into consideration all compensation deemed interest under applicable law

- 9) Waiver Except as expressly otherwise provided for herein, Borrower and all other parties now or hereafter liable or responsible for the payment of this Note, whether as endorser, guarantor, surety or otherwise, severally waive demand, presentment, presentment for payment, notice of intent to demand, notice of nonpayment, notice of dishonor, diligence in collecting, grace, notice (including notice of intent to accelerate and notice of acceleration) and protest and consent to all renewals and extensions that from time to time may be granted by the holder of this Note and to all partial payments herein, whether before or after maturity Borrower hereby further agrees that no act or omission of Lender with reference to any property securing or intended to secure this Note, including but not limited to failure to file or perfect any lien or security interest, shall release the absolute obligation of Borrower and each such endorser, guarantor or surety to pay this Note as and when due
- 10) Cumulative Rights No delay on the part of Lender or other holder of this Note in the exercise of any power or right under this Note, under the Security Instrument, or under any other Loan Document, shall operate as a waiver thereof, nor shall a single or partial exercise of any power or right preclude other or further exercise thereof or exercise of any other power or right Enforcement by Lender or other holder of this Note of any security for the payment hereof shall not constitute any election by it of remedies so as to preclude the exercise of any other remedy available to it
- 11) Attorneys' Fees and Costs If this Note or any installment or part hereof is not paid when due and the same is placed in the hands of an attorney for collection, or if this Note is collected by suit or through bankruptcy, probate or other proceedings, Borrower agrees to pay the reasonable attorneys' fees of the holder of this Note,

together with all actual expenses of collection and litigation and costs of court incurred by the holder of this Note

- 12) Notices Any notice or demand required or to be given hereunder shall be in writing, and shall be deemed to have been given and received when deposited in a post office or official depository of the United States Postal Service, sent by certified mail, postage prepaid, return receipt requested, addressed as follows

If to Borrower	[Borrower Name Borrower Address City, State Zip Code Attn Owner/Officer Name]
If to Lender	Made in the Shade Blinds and More LLC 2630 Rogers Fork San Antonio, Texas 78258 Attn Cathy Morse, Managing Member

The addresses or addresses set forth in this Note may be changed by any party by giving notice of such change to the other party in the manner provided herein for giving notice

- 13) Severability In case any of the provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein
- 14) GOVERNING LAW THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE LAWS OF THE UNITED STATES APPLICABLE TO TRANSACTIONS IN TEXAS
- 15) JURISDICTION AND VENUE ALL ACTS CONTEMPLATED BY THIS NOTE SHALL BE PERFORMABLE IN BEXAR COUNTY, TEXAS, AND ALL SUMS PAYABLE UNDER THIS NOTE SHALL BE PAYABLE IN BEXAR COUNTY, TEXAS BORROWER HEREBY CONFIRMS AND AGREES THAT ALL LEGAL ACTIONS INVOLVING THE VALIDITY OR ENFORCEMENT OF THIS NOTE SHALL HAVE JURISDICTION AND VENUE IN BEXAR COUNTY, TEXAS

- 16) Headings The headings of the paragraphs of this Note are inserted for convenience only and shall not be deemed to constitute a part hereof
- 17) Successors and Assigns This Note and all of the covenants, promises and agreements contained herein shall be binding upon and shall inure to the benefit of Borrower and Lender and their respective executors, administrators, successors and assigns
- 18) FINAL AGREEMENT THIS NOTE AND THE OTHER LOAN DOCUMENTS EXECUTED IN CONNECTION WITH THE DISBURSEMENT OF FUNDS EVIDENCED BY THIS NOTE, REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES

BORROWER/PAYOR

[Borrower Name]

By _____
[Borrower Name]

LENDER/PAYEE

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Cathy Morse, Managing Member

EXHIBIT H
SECURITY AGREEMENT

SECURITY AGREEMENT

THIS SECURITY AGREEMENT is made on this ____ day of _____, 20__, between _____ ("Debtor"), and Made in the Shade Blinds and More LLC ("Secured Party")

Security Interest

Debtor grants to Secured Party a security interest in all inventory, equipment, appliances, furnishings, and fixtures now or hereafter placed upon the premises known as _____, located at _____ ("Premises") or used in connection therewith and in which Debtor now has or hereafter acquires any right as well as the proceeds therefrom. As additional collateral, Debtor assigns to Secured Party, a security interest in all of its right, title, and interest to any trademarks, trade names, contract rights, and leasehold interests in which Debtor now has or hereafter acquires. The Security Interest shall secure the payment and performance of Debtor's Promissory Note of even date herewith in the principal amount of Twenty Thousand and 00/100 Dollar (\$20,000 00), plus all accrued interest and late charges, and the payment and performance of all other liabilities and obligations of Debtor to Secured Party of every kind and description, direct or indirect, absolute or contingent, due or to become due now existing or hereafter arising.

Covenants

Debtor hereby warrants and covenants

- 1) The collateral will be kept at _____, and that the collateral will not be removed from the Premises other than in the ordinary course of business.
- 2) The Debtor's place of business is _____, and Debtor will immediately notify Secured Party in writing of any change in or discontinuance of Debtor's place of business.
- 3) The parties intend that the collateral is and will at all times remain personal property despite the fact and irrespective of the manner in which it is attached to realty.
- 4) The Debtor will not sell, dispose, or otherwise transfer the collateral or any interest therein without the prior written consent of Secured Party, and the Debtor shall keep the collateral free from unpaid charges (including rent), taxes, and liens.
- 5) The Debtor shall execute alone or with Secured Party any Financing Statement or other document or procure any document, and pay the cost of filing the same in all public offices wherever filing is deemed by Secured Party to be necessary.
- 6) Debtor shall maintain insurance at all times with respect to all collateral against risks of fire, theft, and other such risks and in such amounts as Secured Party may require. The

policies shall be payable to both the Secured Party and the Debtor as their interests appear and shall provide for ten (10) days written notice of cancellation to Secured Party

7) The Debtor shall make all repairs, replacements, additions, and improvements necessary to maintain any equipment in good working order and condition. At its option, Secured Party may discharge taxes, liens, or other encumbrances at any time levied or placed on the collateral, may pay rent or insurance due on the collateral and may pay for the maintenance and preservation of the collateral

8) Debtor agrees to reimburse Secured Party on demand for any payment made, or any expense incurred by Secured Party pursuant to the foregoing authorization

DEFAULT

The Debtor shall be in default under this Agreement upon the happening of any of the following

1) Any misrepresentation by Debtor in connection with this Agreement, the Franchise Agreement, or any other agreement between Secured Party and Debtor

2) Any non-compliance with or non-performance of the Debtor's obligations under the Promissory Note, this Agreement, the Franchise Agreement or any other agreement between Secured Party and Debtor

3) Any assignment for the benefit of creditors, or an attachment or receivership of assets not dissolved within thirty (30) days, or the institution of Bankruptcy proceedings, whether voluntary or involuntary, which is not dismissed within thirty (30) days from the date on which it is filed

Upon default and at any time thereafter, Secured Party may declare all obligations secured hereby immediately due and payable and shall have the remedies of a Secured Party under the Uniform Commercial Code. Secured Party may require the Debtor to make it available to Secured Party at a place that is mutually convenient. No waiver by Secured Party of any default shall operate as a waiver of any other default or of the same default on a future occasion. This Agreement shall inure to the benefit of and obligate the heirs, executors, administrators, successors, and assigns of the parties

DEBTOR

[Debtor Name]

By _____, 20____
[Debtor Name]

STATE OF TEXAS)
)
COUNTY OF _____)

Subscribed and sworn before me this the _____ day of _____, 20__

[Seal]

[signature]

[printed name]

Notary Public in and for the State of Texas
My Commission Expires _____

SECURED PARTY

Made in the Shade Blinds and More LLC

By _____, 20__
Cathy Morse, Managing Member

EXHIBIT I
GENERAL RELEASE

EXHIBIT I

GENERAL RELEASE

This **GENERAL RELEASE** ("Release") is made as of the latest date set forth on the signature page hereof between Made in the Shade Blinds and More LLC d/b/a Made in the Shade Blinds and More® ("Franchisor"), and the undersigned person or entity ("Franchisee")

Background

A Franchisor and Franchisee have entered into a Franchise Agreement dated _____ for a franchised business located at _____ (the "Agreement")

B Franchisee desires to [transfer] [renew] its franchise rights and Franchisor agrees to consent to such [transfer] [renewal], subject to the conditions contained herein

NOW THEREFORE, incorporating the foregoing Background herein by reference and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows

1 Termination of Agreement Franchisor and Franchisee agree and acknowledge that the Agreement is hereby immediately terminated and shall be of no further force or effect

2. Conditions. This Release is expressly contingent upon the execution [by the transferee] [by Franchisee], concurrently with the execution of this Release, of Franchisor's current form of franchise agreement for the operation of a franchised business at _____ [and such other documents as the Franchisee and transferee have agreed upon and Franchisor has approved in connection with such transfer] The franchise agreement described in this paragraph includes any ancillary agreements contained in Franchisor's current franchise disclosure document

3. Release.

(a) Franchisee, to the fullest extent permitted by law, hereby forever releases and discharges Franchisor and waives any and all rights or Claims it has, may have, had, or may have had against Franchisor, its affiliates and each of their officers, directors or employees from the beginning of time until the date of this Release, of any kind, whether known or unknown, including but not limited to, any Claims arising under or related to the Agreement

(b) As used in this paragraph 3, "Claims" means any and all manner of actions, causes of action, suits, debts, dues, sums of money, account reckonings, bonds, bills, specialties, covenants, contracts, controversies, sanctions, costs, attorneys' fees, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever, of whatever kind or nature, whether absolute or contingent, known or unknown, matured or un matured, at law, in equity, or in any other proceeding

(c) Nothing contained in this paragraph 3 is intended to affect the rights and responsibilities of the parties under any of the agreements described in paragraph 2 or any agreements between the parties which may be executed concurrently herewith

4 Representations and Warranties. Franchisee represents and warrants to the Franchisor as follows

(a) The execution and delivery of this Release does not violate any law applicable to Franchisee, Franchisee's organizational documents, or any other agreement binding upon Franchisee

(b) Franchisee has the power and authority to execute and deliver this Release and has taken all necessary action (corporate or otherwise) to authorize the execution and delivery of this Release

5. Miscellaneous.

(a) This Release shall be construed in accordance with and governed by the laws of the State of Texas, without regard to its conflict of laws rules

(b) This Release constitutes the sole agreement of the parties with respect to the subject matter hereof and thereof, and supersedes all oral negotiations and prior writings with respect to the subject matter hereof and thereof No amendment of this Release, and no waiver of any one or more of the provisions hereof shall be effective unless set forth in writing and signed by the parties hereto

(c) This Release shall be binding upon the parties hereto and, where applicable, their respective heirs, executors, administrators, successors and permitted assigns, and shall inure to the benefit of the parties hereto and, where applicable, their respective heirs, executors, administrators, successors and permitted assigns

IN WITNESS WHEREOF, the parties have caused this Release to be signed by their duly authorized representatives

Made in the Shade Blinds and More LLC,
d/b/a Made in the Shade Blinds and More®

FRANCHISEE

By _____
Name _____
Title _____
Date _____

By _____
Name _____
Title _____
Date _____

ATTACHMENT A

LIST OF STATE ADMINISTRATORS

**ATTACHMENT A
LIST OF ADMINISTRATORS**

The following is a list of state administrators responsible for registration and review of franchises for these states We may register in one or more of these states

CALIFORNIA

Department of Corporations
320 West 4th Street, Suite 750
Los Angeles, CA 90013-2344
866-275-2677

INDIANA

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

CONNECTICUT

Cynthia Antanaitis
Assistant Director
Securities and Business Investment Division
Connecticut Department of Banking
260 Constitution Plaza
Hartford, Connecticut 06103-1800
(860) 240-8230

MARYLAND

Office of the Attorney General
Division of Securities
200 St Paul Place
Baltimore, Maryland 21202-2020

FLORIDA

Department of Agriculture and Consumer
Services
Mayo Building, 2nd Floor
Tallahassee, Florida 32399

MICHIGAN

Michigan Attorney General's Office
Consumer Protection Division
Franchising Section
G Mennen Williams Building, 1st Floor
525 West Ottawa
Lansing, Michigan 48933

HAWAII

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

MINNESOTA

Franchise Examiner
Minnesota Department of Commerce
85 Seventh Place East
Suite 500
St Paul, Minnesota 55101

ILLINOIS

Chief, Franchise Bureau
Attorney General's Office
500 South Second Street
Springfield, Illinois 62706

NEBRASKA

Nebraska Department of Banking and Finance
Commerce Court
1230 "O" Street
Suite 400
P O Box 95006
Lincoln, Nebraska 68509-5006

NEW YORK

Assistant Attorney General
New York Department of Law
Investment Protection Bureau
120 Broadway, 23rd Floor
New York, New York 10271

NORTH DAKOTA

Franchise Examiner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol – 5th Floor
Bismarck, North Dakota 58505-0510

OREGON

Department of Consumer and
Business Services
Division of Finance and
Corporate Securities
Labor and Industries Building
Salem, Oregon 97301

RHODE ISLAND

Securities Division
Department of Business Regulation
1511 Pontiac Avenue
John O Pastore Complex - Building 69-1
Cranston, Rhode Island 02920

SOUTH DAKOTA

Franchise Administrator
Department of Labor and Regulation
Division of Securities
124 South Euclid, Suite 104
Pierre, South Dakota 57501

TEXAS

Statutory Document Section
Secretary of State
P O Box 12887
Austin, Texas 78711

UTAH

Director
Department of Commerce
Division of Consumer Protection
160 East Three Hundred South
P O Box 45804
Salt Lake City, Utah 84111

VIRGINIA

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

WASHINGTON

Administrator
Department of Financial Institutions
Securities Division
150 Israel Rd S W
Tumwater, Washington 98501
Tel (360) 902-8760

WISCONSIN

Franchise Administrator
Division of Securities
Department of Financial Institutions
345 West Washington Avenue
Madison, Wisconsin 53703

ATTACHMENT B
AGENTS FOR SERVICE OF PROCESS

ATTACHMENT B
AGENTS FOR SERVICE OF PROCESS

The following state agencies may be designated as our agent for service of process in accordance with the applicable state laws We may register in one or more of these states

CALIFORNIA

Commissioner of Corporations
Department of Corporations
320 West 4th Street, Suite 750
Los Angeles, CA 90013-2344

MARYLAND

Maryland Securities Commissioner
Maryland Division of Securities
200 St Paul Place
Baltimore, Maryland 21202-2020

CONNECTICUT

Banking Commissioner of State of
Connecticut
Securities and Business Investment Division
Connecticut Department of Banking
260 Constitution Plaza
Hartford, Connecticut 06103-1800
(860) 240-8230

MICHIGAN

Michigan Department of Commerce
Corporations and Securities Bureau
G Mennen Williams Building, 6th Floor
525 West Ottawa
Lansing, Michigan 48933

HAWAII

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

MINNESOTA

Commissioner of Commerce
85 Seventh Place East
Suite 500
St Paul, Minnesota 55101

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

NEW YORK

Secretary of State of
the State of New York
41 State Street
Albany, New York 12231

INDIANA

Secretary of State
201 State House
200 West Washington
Indianapolis, Indiana 46204

NORTH CAROLINA

Secretary of State of North Carolina
300 North Salisbury Street
Raleigh, North Carolina 27603

NORTH DAKOTA

Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol - 5th Floor
Bismarck, North Dakota 58505-0510

WASHINGTON

Director of Financial Institutions
Securities Division
150 Israel Rd S W
Tumwater, Washington 98501
Tel (360) 902-8760

OREGON

Director
Department of Consumer and
Business Services
Division of Finance and
Corporate Securities
Labor and Industries Building
Salem, Oregon 97310

WISCONSIN

Commissioner of Securities
Wisconsin Securities Commission
345 West Washington Avenue
Madison, Wisconsin 53703

RHODE ISLAND

Director
Department of Business Regulation
1511 Pontiac Avenue
John O Pastore Complex - Building 69-1
Cranston, Rhode Island 02920

SOUTH DAKOTA

Director
Department of Labor and Regulation
Division of Securities
124 South Euclid, Suite 104
Pierre, South Dakota 57501

VIRGINIA

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

ATTACHMENT C
STATE SPECIFIC ADDENDA

**ADDENDUM TO MADE IN THE SHADE AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA**

1 The California Department of Corporations requires that certain provisions contained in franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, CAL CORP CODE Section 31000 et seq , and the California Relations Act, CAL BUS & PROF CODE Section 20000 et seq . To the extent that the disclosure document and/or Franchise Agreement contain provisions that are inconsistent with the following, such provisions are hereby amended

A Item 3 of the Franchise Disclosure Document is supplemented by the following language

Neither we nor any person or franchise broker in Item 2 of the Franchise 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

B Item 5 of the Franchise Disclosure Document is supplemented by the following language

The California Commissioner of Business Oversight requires us to defer the collection of all initial fees owed by franchisees to the franchisor until the franchisor has completed its initial obligations under the Franchise Agreement

C Item 17 of the Franchise Disclosure Document is supplemented by the following language

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

b 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)

c 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

d The Franchise Agreement requires mediation . The costs of mediation will be borne equally by the parties . Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5, Code of Civil Procedure 1281, and the Federal Arbitration Act) to any provision of the Franchise Agreement restricting venue to a forum outside the state of California . 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

e The Franchise Agreement requires application of the laws of Texas This provision may not be enforceable under California law

2 OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS AT www.corp.ca.gov

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

4 Corporations Code 31512 provides that “Any conditions, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of this law or any rule or order is hereunder void” The Franchise Agreement requires a shortened status of limitations period Pursuant to Corporations Code Section 31512, this provision is void, to the extent that it is inconsistent with the provisions of Corporations Code Sections 31303 and 31304

5 You must sign a general release if you renew or transfer your franchise California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516) Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043)

6 SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE

**AMENDMENT TO MADE IN THE SHADE AND MORE LLC
FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA**

The Made In The Shade And More LLC Franchise Agreement between _____ (“Franchisee” or “You”) and Made in the Shade and More LLC (“Franchisor”) dated _____ (the “Franchise Agreement” or “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”)

CALIFORNIA LAW MODIFICATIONS

1 The California Department of Corporations requires that certain provisions contained in the franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, CAL CORP CODE Section 31000 et seq , and the California Franchise Relations Act, CAL BUS & PROF CODE Section 20000 et seq To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended

- a California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control
- b 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)
- c 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
- d The Franchise Agreement requires mediation The costs of mediation will be borne equally by the parties Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5, Code of Civil Procedure 1281, and the Federal Arbitration Act) to any provision of the Franchise Agreement restricting venue to a forum outside the state of California 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
- e The Franchise Agreement requires application of the laws of Texas This provision may not be enforceable under California law
- f All initial fees owed by franchisees to the franchisor will not be collected until the franchisor has completed its initial obligations under the Franchise Agreement

IN WITNESS WHEREOF, the franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby The parties have duly executed and delivered this Amendment to the Agreement on _____, 20__

FRANCHISOR:

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____

FRANCHISEE:

By _____
Name _____
Title _____

**ADDENDUM TO MADE IN THE SHADE AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS**

Item 5 is amended as follows

Based on our financial condition, the Illinois Attorney General's Office has required a financial assurance to you as follows The payment of all franchise fees owed to us, or any affiliate, shall be deferred until such time as all initial obligations owed to you under the franchise agreement or other agreements have been fulfilled by us and the franchise commenced doing business pursuant to the franchise agreement

Item 17 is amended as follows

The conditions under which a franchise can be terminated and your rights upon non-renewal, as well as the application by which you must bring any claims, may be affected by Sections 705/19 and 20 of the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/19 and 705/20

The Illinois Franchise Disclosure Act provides that any provision in the Franchise Agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois

For choice of law purposes, and for the interpretation and construction of the Franchise Agreement, the Illinois Franchise Disclosure Act, 815 ILCS 705 governs

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

**AMENDMENT TO MADE IN THE SHADE AND MORE LLC
FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS**

Section 3 A is supplemented with the following

“Notwithstanding the foregoing, the payment of all franchise fees owed to us, or any affiliate, shall be deferred until such time as all initial obligations owed to you under the franchise agreement or other agreements have been fulfilled by us and the franchise commenced doing business pursuant to the franchise agreement ”

Section 17 G and Section 17 H are deleted and replaced with the following

“Illinois law governs the Franchise Agreement (without regard to conflict of laws), and jurisdiction and venue for any mediation or court proceeding shall be conducted in Illinois”

Section 17 K is deleted and replaced with the following

“No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of 3 years after the act or transaction constituting the violation upon which it is based, the expiration of 1 year after the franchisee becomes aware of facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to the franchisee of a written notice disclosing the violation, whichever shall first expire”

Section 17 L is deleted and replaced with the following

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

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment dated this ____ day of _____, 20__

FRANCHISOR:

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____

FRANCHISEE:

By _____
Name _____
Title _____

**ADDENDUM TO MADE IN THE SHADE AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND**

For franchises and franchisees subject to the Maryland Franchise Registration and Disclosure Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the Made in The Shade Blinds And More, LLC Franchise Disclosure Document

Item 17

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure law Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise

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

Section 15 B of the Franchise Agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U S C Section 101 et seq)

**AMENDMENT TO MADE IN THE SHADE AND MORE LLC
FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND**

This Amendment shall pertain to franchises offered and sold in the State of Maryland, and to residents of Maryland and franchises to be located in Maryland. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of liability incurred under the Maryland Franchise Registration and Disclosure Law. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Any limitation of claims provision will not act to reduce the time afforded a franchisee for bringing a claim under the Maryland Franchise Law

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment dated this ____ day of _____, 20__

FRANCHISOR:

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____

FRANCHISEE:

By _____
Name _____
Title _____

**ADDENDUM TO MADE IN THE SHADE AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA**

For Franchises and Franchisees subject to the Minnesota Franchise Act, the following Minnesota-specific language supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the Made in The Shade Blinds And More, LLC Franchise Disclosure Document

Item 13

- The Franchisor will protect the Franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding use of the name
- Minnesota considers it unfair to not protect the Franchisee's right to use the trademarks Refer to Minnesota Statutes, Section 80C 12, Subd 1(g)

Item 17

- Minnesota Statutes, Section 80C 21 and Minnesota Rules 2860 4400(J) prohibit the Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the Franchisee to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction
- With respect to franchises governed by Minnesota law, the Franchisor will comply with Minnesota Statutes, Section 80C 14, Subd 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement, and (2) that consent to the transfer of the franchise will not be unreasonably withheld
- Minnesota Rules 2860 4400(d) prohibits a Franchisor from requiring a Franchisee to assent to a general release
- The Franchisee cannot consent to the Franchisor obtaining injunctive relief The Franchisor may seek injunctive relief See Minnesota Rules 2860 4400J Also, a Court will determine if a bond is required
- The Limitation of Claims Section must comply with Minnesota Statutes, Section 80C 17, Subd 5

**AMENDMENT TO MADE IN THE SHADE AND MORE LLC
FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA**

This Amendment shall pertain to franchises offered and sold in the State of Minnesota, and to residents of Minnesota and franchises to be located in Minnesota. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

- The Franchisor will protect the Franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding use of the name.
- The Franchisor is prohibited from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the Franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Agreement can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- The Franchisor will comply with Minnesota Statutes, Section 80C 14, Subd 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement, and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The Franchisee shall not be required to assent to a general release.
- The Franchisee does not consent to the Franchisor obtaining injunctive relief. The Franchisor may seek injunctive relief. Also, a Court will determine if a bond is required.
- Pursuant to Minnesota Statutes, Section 80C 17, Subd 5, no action may be commenced under the Minnesota Franchise Act more than three (3) years after the cause of action accrues.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment dated this ____ day of _____, 20__

FRANCHISOR:

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____

FRANCHISEE.

By _____
Name _____
Title _____

**ADDENDUM TO MADE IN THE SHADE AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK**

Item 3, "Litigation" is hereby amended by deleting the first paragraph in that Item and replacing it by the following language

"(1) Neither we, any predecessor, any person identified in Item 2 above, nor any affiliate offering franchises under our principal trademark has pending any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) alleging a violation of any franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable allegations

(2) Neither we, any predecessor, any person identified in Item 2 above, nor any affiliate offering franchises under our principal trademark has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the date of this disclosure document, has been convicted of a misdemeanor or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding if such misdemeanor conviction or charge or civil action, complaint or other legal proceeding involved a violation of any franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable allegations

(3) Neither we, any predecessor, any person identified in Item 2 above, nor any affiliate offering franchises under our principal trademark is subject to any currently effective injunctive or restrictive order or decree relating to franchises or under any Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency, 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 injunction 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 "

Item 4, "Bankruptcy" is amended by deleting the second paragraph and substituting the following in lieu thereof

"Other than this 1 action, neither we, nor any affiliate or predecessor or current officer or general partner during the 10 year period immediately before the 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 the 1 year after the officer or general partner of Made in the Shade Blinds and More LLC held this position with the company or partnership "

Item 17, "Renewal, Termination, Transfer and Dispute Resolution" is amended as follows

(a) By adding the following in the "Summary" column opposite category d , "Termination by Franchisee"

“To the extent required by the New York General Business Law, you may terminate the Agreement on any grounds available by law ”

(b) By adding the following in the “Summary” column opposite category w , “Choice of Law”

“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 ”

**AMENDMENT TO MADE IN THE SHADE AND MORE LLC
FRANCHISE AGREEMENT
FOR THE STATE OF NEW YORK**

The Made In The Shade And More LLC Franchise Agreement between _____ (“Franchisee” or “You”) and Made in the Shade and More LLC (“Franchisor”) dated _____ (the “Franchise Agreement” or “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”)

NEW YORK LAW MODIFICATIONS

1 The New York Department of Law requires that certain provisions contained in the franchise documents be amended to be consistent with New York law, including the General Business Law, Article 33, Sections 680 through 695 (1989) To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended

- a If the franchisee is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the General Business Law, regulation, rule or order under the Law, Article 33, Section 680s through 695 and the regulations promulgated thereunder, then such acknowledgements shall be void It is the intent of this provision that non-waiver provisions of Sections 687 4 and 687 5 of the General Business Law be satisfied
- b If the Agreement requires that it be governed by the law of a state, other than the State of New York, the choice of law provision shall not be considered to waive any rights conferred upon the franchisee under the New York General Business Law, Article 33, Sections 680 through 695

2 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the New York General Business Law, with respect to each such provision, are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

IN WITNESS WHEREOF, the franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby The parties have duly executed and delivered this Amendment to the Agreement on _____, 20__

FRANCHISOR

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____

FRANCHISEE

By _____
Name _____
Title _____

New York Insert

(To be inserted immediately before the Acknowledgement of Receipt)

This disclosure document is amended by the addition of the following sentence

“Franchisor represents that this prospectus does not knowingly omit any material fact or contain any untrue statement of a material fact”

**ADDENDUM TO MADE IN THE SHADE AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NORTH DAKOTA**

For Franchises and Franchisees subject to the North Dakota Franchise Investment Law, Section 51-19, the following North Dakota-specific language supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the Made in The Shade Blinds And More, LLC Franchise Disclosure Document

Item 17

- A Restrictive Covenants All restrictive covenants which are disclosed shall be subject to the North Dakota Franchise Investment Law
- B Situs of Arbitration Proceedings Any restrictions regarding the situs of the arbitration of disputes being remote from the Franchisee's business are waived
- C Restrictions on Forum Requiring Any requirements of North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota are waived
- D Liquidated Damages and Termination Penalties Any requirements of North Dakota franchisees to consent to liquidated damages or termination penalties are waived
- E Applicable Laws The requirement that all disputes are to be governed by the laws of Texas is waived The laws of North Dakota shall apply
- F Waiver of Trial by Jury The requirement that North Dakota Franchisees consent to the waiver of a trial by jury is waived
- G Waiver of Exemplary & Punitive Damages The requirement that North Dakota Franchisees consent to a waiver of exemplary and punitive damage is waived
- H General Release The requirement of North Dakota Franchisees sign a general release upon renewal of the Franchise Agreement is waived
- I Limitation of Claims The requirement that the Franchisee consent to a contractual limitation of claims is waived The statute of limitations under North Dakota law applies
- J Enforcement of Agreement The requirement that the Franchisee pay all costs and expenses incurred by the Franchisor in enforcing the Agreement is waived The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees

**AMENDMENT TO MADE IN THE SHADE AND MORE LLC
FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA**

This Amendment shall pertain to franchises offered and sold in the State of North Dakota, and to residents of North Dakota and franchises to be located in North Dakota. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows

- A Restrictive Covenants All restrictive covenants which are disclosed shall be subject to the North Dakota Franchise Investment Law
- B Situs of Arbitration Proceedings Any restrictions regarding the situs of the arbitration of disputes being remote from the Franchisee's business are waived
- C Restrictions on Forum Requiring Any requirements of North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota are waived
- D Liquidated Damages and Termination Penalties Any requirements of North Dakota franchisees to consent to liquidated damages or termination penalties are waived
- E Applicable Laws The requirement that all disputes are to be governed by the laws of Texas is waived. The laws of North Dakota shall apply
- F Waiver of Trial by Jury The requirement that North Dakota Franchisees consent to the waiver of a trial by jury is waived
- G Waiver of Exemplary & Punitive Damages The requirement that North Dakota Franchisees consent to a waiver of exemplary and punitive damage is waived
- H General Release The requirement of North Dakota Franchisees sign a general release upon renewal of the Franchise Agreement is waived
- I Limitation of Claims The requirement that the Franchisee consent to a contractual limitation of claims is waived. The statute of limitations under North Dakota law applies
- J Enforcement of Agreement The requirement that the Franchisee pay all costs and expenses incurred by the Franchisor in enforcing the Agreement is waived. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment dated this ____ day of _____, 20__

FRANCHISOR:

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____

FRANCHISEE:

By _____
Name _____
Title _____

**ADDENDUM TO MADE IN THE SHADE AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF SOUTH DAKOTA**

Item 5 of the disclosure document entitled "Initial Franchise Fee" is hereby amended by adding the following at the end of the first paragraph

"Based on our current financial condition, the South Dakota Department of Labor and Regulation has required that we defer your obligation to pay initial fees until you begin operations and initial training has been provided. Therefore, during the period that such fee deferral requirement is in effect (the "Fee Deferral Period"), you will not be required to pay the initial franchise fee until you begin operations and initial training has been provided. Immediately upon notice from us that the Fee Deferral Period has ended, you must pay the full initial franchise fee as contemplated by Item 5 of the disclosure document."

**AMENDMENT TO MADE IN THE SHADE AND MORE LLC
FRANCHISE AGREEMENT
FOR THE STATE OF SOUTH DAKOTA**

The Made In The Shade And More LLC Franchise Agreement between _____ ("Franchisee" or "You") and Made in the Shade and More LLC ("Franchisor") dated _____ (the "Franchise Agreement" or "Agreement") shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment")

SOUTH DAKOTA LAW MODIFICATIONS

1 The South Dakota Department of Labor and Regulation requires that certain provisions contained in the franchise documents be amended to be consistent with South Dakota including pursuant to SDCL 37-5B-5 To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended

"We shall defer your obligation to pay initial fees until you begin operations and initial training has been provided Therefore, during the period that such fee deferral requirement is in effect (the "Fee Deferral Period"), you will not be required to pay the initial franchise fee until you begin operations and initial training has been provided Immediately upon notice from us that the Fee Deferral Period has ended, you must pay the full initial franchise fee as required by this Agreement "

2 Except as amended herein, the terms of the Agreement remain in full force and effect

IN WITNESS WHEREOF, the franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby The parties have duly executed and delivered this Amendment to the Agreement on _____, 20__

FRANCHISOR:

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____

FRANCHISEE:

By _____
Name _____
Title _____

**ADDENDUM TO MADE IN THE SHADE BLINDS AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE COMMONWEALTH OF VIRGINIA**

For franchises and franchisees subject to the Virginia Retail Franchising Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the Made in the Shade Blinds and More LLC Franchise Disclosure Document

Item 17

By statute, under Section 13.1-564 of the Virginia Retail Franchising Act, it shall be unlawful for a franchisor to cancel a franchise without reasonable cause or to use undue influence to induce a franchisee to surrender any right given to him, her or it by any provision contained in the franchise agreement or related agreements

**ADDENDUM TO MADE IN THE SHADE BLINDS AND MORE LLC
FRANCHISE AGREEMENT
FOR THE STATE OF VIRGINIA**

This Amendment shall pertain to franchises sold in the Commonwealth of Virginia and shall be for the purpose of complying with Virginia statutes and regulations. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement shall be amended as follows:

By statute, under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause" as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

**ADDENDUM TO MADE IN THE SHADE AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WASHINGTON**

Item 5 is modified as follows

Because of our limited financial condition and operating history, the Securities Division of the Department of Financial Institutions has required that we defer the collection of franchise fees from you until all of our pre-opening obligations to you have been satisfied. During the period that such fee deferral requirement is in effect (the "Fee Deferral Period"), you will not be required to pay the initial franchise fee until you begin operations and initial training has been provided. Immediately upon notice from us that the Fee Deferral Period has ended, you must pay the full initial franchise fee as required by this Agreement.

Items 6 and 17 are modified as follows

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

Item 17 is hereby modified as follows

The State of Washington has a statute, RCW 19 100 180, which may supersede the Franchise Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise.

In any mediation, arbitration or litigation involving a franchise purchased in Washington, the mediation, arbitration or litigation site shall be either the State of Washington or in a place mutually agreed upon at the time of the mediation, arbitration or litigation, or as determined by the mediator or court, as the case may be.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail.

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

**AMENDMENT TO MADE IN THE SHADE AND MORE LLC
FRANCHISE AGREEMENT
FOR THE STATE OF WASHINGTON**

The State of Washington has a statute, RCW 19 100 180, which may supersede the Franchise Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise.

Because of our limited financial condition and operating history, the Securities Division of the Department of Financial Institutions has required that we defer the collection of franchise fees until all of our pre-opening obligations to you have been satisfied. Accordingly, the following is added to the Franchise Agreement:

“We shall defer your obligation to pay initial fees until you begin operations and initial training has been provided. Therefore, during the period that such fee deferral requirement is in effect (the “Fee Deferral Period”), you will not be required to pay the initial franchise fee until you begin operations and initial training has been provided. Immediately upon notice from us that the Fee Deferral Period has ended, you must pay the full initial franchise fee as required by this Agreement.”

In any mediation or litigation involving a franchise purchased in Washington, the mediation or litigation site shall be either the State of Washington or in a place mutually agreed upon at the time of the mediation or litigation, or as determined by the mediator or court, as the case may be.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail.

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

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

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment dated this ____ day of _____, 20__

FRANCHISOR:

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____

FRANCHISEE:

By _____
Name _____
Title _____

**ADDENDUM TO MADE IN THE SHADE AND MORE LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WISCONSIN**

Item 17 is amended as follows

“If the Franchise Agreement contains any provisions that conflict with the Wisconsin Fair Dealership Law, the provisions of the Wisconsin Fair Dealership law shall control ”

**AMENDMENT TO MADE IN THE SHADE AND MORE LLC
FRANCHISE AGREEMENT
FOR THE STATE OF WISCONSIN**

This Addendum forms part of the Franchise Agreement dated _____, between Made In The Shade Blinds and More, LLC ("we", "us", or "our") and _____, the franchisee ("you" or "your") To the extent that this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or Exhibits thereto, the terms of this Addendum shall govern

Section 17 H of the Franchise Agreement is amended as follows

1 To the extent that the Franchise Agreement contains any provisions that conflict with the Wisconsin Fair Dealership Law, the provisions of the Wisconsin Fair Dealership Law shall prevail

2 With respect to franchises governed by Wisconsin law, the franchisor will comply with Wisconsin Statutes, Chapter 135, Section 135.04 which requires, except in certain circumstances, that a franchisee be given 90 days' notice of termination, cancellation, nonrenewal or substantial change in competitive circumstance, of the Franchise Agreement with 60 days to cure

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment dated this ____ day of _____, 20__

FRANCHISOR.

Made in the Shade Blinds and More LLC,
a Texas limited liability company

By _____
Name _____
Title _____

FRANCHISEE:

By _____
Name _____
Title _____

ITEM 23
RECEIPT

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

If Made in the Shade Blinds and More LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Applicable state laws in (a) Connecticut and Michigan require us to provide you the disclosure document at least 10 business 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, (b) Maine, New York and Rhode Island require us to provide you the disclosure document at the earlier of the first personal meeting or 10 business 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, and (c) Iowa requires us to provide you the disclosure document at the earlier of the first personal meeting or 14 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.

If Made in the Shade Blinds and More LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and any applicable state agency (as listed in **Attachment A** to this disclosure document).

The name, principal business address, and telephone number of each franchise seller offering the franchise follow:

Name	Principal Business Address	Telephone Number

Issuance Date April 12, 2017

I received a disclosure document dated April 12, 2017. (See the state effective date summary page for state effective dates.) The disclosure document included the following Exhibits and Attachments:

<u>Exhibit A</u>	Financial Statements
<u>Exhibit B</u>	Franchise Agreement, including attachments and state-specific addenda
<u>Exhibit C</u>	List of Franchised Businesses
<u>Exhibit D</u>	List of Pre-Existing Dealers
<u>Exhibit E</u>	List of Franchisees Who Have Left the System
<u>Exhibit F</u>	Manual Table of Contents
<u>Exhibit G</u>	Promissory Note
<u>Exhibit H</u>	Security Agreement
<u>Attachment A</u>	List of State Administrators
<u>Attachment B</u>	Agents for Service of Process*
<u>Attachment C</u>	State Specific Addenda

The Franchisor authorizes the respective state agencies identified on Attachment B to receive service of process for it in the particular state.

Dated _____

Individually and as an Officer of the company designated below or of a company to be formed and designated below on formation

Printed Name
of _____
(a _____ Corporation)
(a _____ Partnership)
(a _____ Limited Liability Company)

[Keep this page for your records]

ITEM 23
RECEIPT

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

If Made in the Shade Blinds and More LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Applicable state laws in (a) Connecticut and Michigan require us to provide you the disclosure document at least 10 business 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, (b) Maine, New York and Rhode Island require us to provide you the disclosure document at the earlier of the first personal meeting or 10 business 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, and (c) Iowa requires us to provide you the disclosure document at the earlier of the first personal meeting or 14 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.

If Made in the Shade Blinds and More LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and any applicable state agency (as listed in **Attachment A** to this disclosure document).

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<u>Attachment C</u>	State Specific Addenda

The Franchisor authorizes the respective state agencies identified on Attachment B to receive service of process for it in the particular state.

Dated _____

Individually and as an Officer of the company designated below or of a company to be formed and designated below on formation

Printed Name
of _____
(a) _____ Corporation)
(a) _____ Partnership)
(a) _____ Limited Liability Company)

[Sign and return this page to us]