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FRANCHISE DISCLOSURE DOCUMENT

FOR USE IN THE STATE OF CALIFORNIA ONLY

OXI FRESH FRANCHISING CO., INC.
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Oxi Fresh Franchising Co., Inc., a Colorado corporation, is offering a franchise program known as Oxi Fresh Carpet Cleaning specializing in the cleaning of commercial and residential carpet, rugs, and upholstery. Oxi Fresh Businesses also offer tile and grout cleaning services, hardwood floor cleaning services, and other ancillary services.

The total investment necessary to begin operation of an Oxi Fresh Business franchise ranges from $45,465 to $75,690. This includes $42,665 to $50,260 (for a single franchise with a territory of up to 110,000 households) that must be paid to the franchisor or an affiliate. Additional franchises with territories of 110,000 households each can be acquired for an initial franchise fee of 75 percent of the then current Initial Franchise Fee for the first additional franchise and 65 percent of the then current Initial Franchise Fee for each additional franchise.

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 Jonathan Barnett at 143 Union Boulevard, Suite 825, Lakewood, Colorado 80228 and 1-877-OXIFRESH.

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

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

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

Issuance Date: March 31, 2020

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

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

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ATTACHMENTS TO DISCLOSURE DOCUMENT:

A	Franchise Agreement
B	Confidentiality/Application Agreement
C	Nondisclosure and Noncompetition Agreement
D	Statement of Prospective Franchisee
E	Territory Reservation Deposit Agreement
F	Form of Successor Franchise Rider to Franchise Agreement
G	Current Form of General Release
H	Operations Manual Table of Contents
I	List of Franchisees
J	List of Franchisees Who Have Left the System
K	Financial Statements
L	List of Administrators/Agents for Service of Process
M	State Specific Addenda

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

Oxi Fresh Franchising Co., Inc., a Colorado corporation, is offering to prospective franchisees the opportunity to operate an OXI FRESH Business in accordance with the terms described in this Disclosure Document. To simplify the language in this Disclosure Document, the terms "**we**" or "**us**" means Oxi Fresh Franchising Co., Inc., the franchisor (but not our officers, directors, agents or employees). "**You**" means the person who buys a franchise from us. If you are a corporation, partnership or other entity, certain provisions of our Franchise Agreement also apply to your owners, officers and directors and will be noted. Unless otherwise indicated, the term "**OXI FRESH Business**" means a franchised business specializing in the cleaning of commercial and residential carpets, rugs, and upholstery, but that may also offer tile and grout floor cleaning, hardwood floor cleaning, and other ancillary services, all using our methods.

The Franchisor, Its Predecessor and Its Affiliates. We are a Colorado corporation, incorporated on August 17, 2006. We do business under our corporate name and no other name. We offer and sell franchises that operate under the name "Oxi Fresh Carpet Cleaning." Our principal business and mailing address is 143 Union Boulevard, Suite 825, Lakewood, Colorado U.S.A. 80228. Our agents for service of process are disclosed in Attachment L.

We have an affiliated company, Oxi Fresh of Denver, LLC, a Colorado limited liability company ("**Oxi Fresh of Denver**"), that operates an OXI FRESH Business in the Denver, Colorado area. Oxi Fresh of Denver was originally incorporated as a Colorado corporation on August 17, 2006 and converted to a limited liability company on January 2, 2018. Oxi Fresh of Denver has its principal business address at 1312 17th Street, Suite 164, Denver, Colorado 80202.

We and Oxi Fresh of Denver are wholly owned by Barnett Enterprises Corp. ("**BEC**"). BEC owns all of the Marks (defined below) used in an OXI FRESH Business. BEC is a parent of ours. BEC's principal place of business is 1312 17th Street, Suite 153, Denver, Colorado 80202. We have no predecessors.

Our Business. We offer and sell franchises for OXI FRESH Businesses. We are not engaged in any other business. We may also own or operate similar businesses, but we do not do so at present.

OXI FRESH Business Franchise Program. Under the Franchise Agreement (the "**Franchise Agreement**"), which is attached as Attachment A to this Disclosure Document, we offer qualified purchasers the right to establish and operate an OXI FRESH Business within a specified Territory (the "**Protected Territory**"). For an additional fee, purchasers may acquire the rights to additional Protected Territories and the rights to operate additional franchised OXI FRESH Businesses in those additional Protected Territories. If you will be acquiring rights to multiple Protected Territories, then each Protected Territory you acquire represents a separate OXI FRESH Business. If the additional OXI FRESH Business are purchased at the same time as your initial OXI FRESH Business, and if the Protected Territories in each of the OXI FRESH Businesses are adjacent, your OXI FRESH Businesses may be included in a single Franchise Agreement. Otherwise, you will execute separate Franchise Agreements. (If you are acquiring OXI FRESH Businesses to be located in additional Protected Territories, the terms "OXI FRESH Business" and "Protected Territory" as used herein shall refer collectively to all of your OXI FRESH Businesses and Protected Territories, as applicable, except in those cases where multiple OXI FRESH Businesses or Protected Territories are specifically addressed.)

The Franchise Agreement gives you the right to operate your OXI FRESH Business under the names and marks "**OXI FRESH®**" and "**OXI FRESH CARPET CLEANING®**", the phrases "**THE WAY MOTHER NATURE CLEANS®**", "**THE WORLD'S GREENEST CARPET CLEANER®**", and "**THE WORLD'S GREENEST, CLEANEST CARPET CLEANER™**", and other marks designated by us (all referred to as the "**Marks**"). You must operate in accordance with our unique system for operating the businesses and related licensed methods of doing business (the "**Licensed Methods**"), and according to our Operations Manual (the "**Operations Manual**"), within the Protected Territory. (See Item 12 for details.)

As a franchisee of ours, you must offer carpet, rug, and upholstery cleaning services. Upon the payment of your Initial Franchise Fee, for each OXI FRESH Business that you acquire, we will provide to you an initial package of equipment and supplies (the "**Initial Equipment and Supplies Package**") for that OXI FRESH Business at no additional cost. See Items 7 and 11 below. You will purchase additional cleaning agents from approved suppliers of ours on an as needed basis.

In addition to offering carpet, rug, and upholstery cleaning services, OXI FRESH franchisees may also offer tile and grout cleaning services and hardwood floor cleaning services. You are not required to offer these additional cleaning services. If you elect to offer tile and grout cleaning services, you will need to acquire the tile and grout brushes that attach to your carpet cleaning machine and tile and grout cleaning agents from us or an approved supplier of ours. If you elect to offer hardwood floor cleaning services, you will need to acquire the hardwood floor cleaning machine and hardwood cleaning agents from us or an approved supplier of ours.

Under certain circumstances, you may reserve one or more Protected Territories for which you may acquire an OXI FRESH Business franchise within a 90-day time period in exchange for the payment of a nonrefundable deposit, as described in Item 5.

Referral Payment. If you refer a prospective franchisee to us who was not previously known to us, and that person becomes a franchisee of ours, we will, at our option, either (i) pay you a referral payment of $2,500, or (ii) grant you a credit of $3,500 to be applied toward your purchases of inventory and other materials from us. If the new franchisee pays its initial franchise fee in installments, the payment will be made or the credit will be applied on a pro rata basis within 30 days of the date on which funds are received from the franchisee. Otherwise, the payment will be made or the credit will be applied within 30 days of the date that the initial franchise fee is paid in full.

The Market. The market for your OXI FRESH Business includes owners or occupiers of residential and commercial buildings. The market is generally established and developed, but is growing as new buildings are constructed and owners and occupiers of existing building learn about the advantage of regular cleaning of their carpets, rugs, upholstery, tile and grout floors, and hardwood floors. The sales of the services are not seasonal.

Laws and Regulations. There are no specific federal laws regarding the operation of your OXI FRESH Business, but there may be laws and regulations in your state or county that may apply to your operation of your OXI FRESH Business.

You should familiarize yourself with federal, state and local laws of a more general nature that may affect the operation of your OXI FRESH Business, including employment, worker's compensation, insurance, corporate, taxing and licensing laws and regulations. In addition to laws and regulations that apply to businesses generally, your OXI FRESH Business may be subject to federal, state and local occupational safety and health regulations, Equal Employment Opportunity and Americans with

Disabilities Act rules and regulations. Some jurisdictions may choose to regulate vigorously these and other laws that may adversely affect your ability to obtain the proper permits needed in order to open and operate your OXI FRESH Business. It will be your responsibility to inquire into and comply with all applicable laws and regulations related to the operation of your OXI FRESH Business.

Prior to signing the Franchise Agreement, we strongly recommend that you make sure that you will be able to obtain all necessary permits and licenses in order to operate your OXI FRESH Business in your Protected Territory. You may need to consult your attorney to help you understand the laws and regulations in your Protected Territory.

Competition. If you acquire an OXI FRESH Business, you will compete with other businesses offering similar products and services to the general public, as well as companies that sell or rent carpet cleaning machines for do-it-yourself homeowners.

Prior Business Experience of Franchisor, Its Predecessor and Its Affiliates. We have been engaged in the sale of franchises to operate OXI FRESH Businesses since 2006. We currently do not operate any OXI FRESH Businesses. Our affiliate Oxi Fresh of Denver has operated a business similar to an OXI FRESH Business described in this Disclosure Document since its inception in 2006. A former affiliate of ours, Barnett-Nozak Carpet Cleaning, LLC d/b/a Oxi Fresh of San Francisco, a California limited liability company ("**Oxi Fresh of San Francisco**"), operated an OXI FRESH Business in San Francisco, California from 2013 to 2016. None of our affiliates or our parent have offered franchises in any line of business in the past, and none of them currently provides any products or services to our franchisees, although they may do so in the future.

ITEM 2
BUSINESS EXPERIENCE

Director, President, Secretary and Treasurer: Jonathan L. Barnett

Mr. Barnett is our founder. He has been the sole member of our Board of Directors and our President, Secretary, and Treasurer since our inception. He has also served as the sole member of the Board of Directors, and as the President, Secretary, and Treasurer of BEC and Oxi Fresh of Denver since their inceptions in 2006. He served as a Manager of Oxi Fresh of San Francisco, a former affiliate of ours, from its inception in September 2013 until December 2016 when it ceased to operate. From January 2014 to March 2017, Mr. Barnett served as a Manager and Director of Franchise Sales for Midtown Chimney Sweeps Franchising, LLC, a franchisor of businesses offering chimney cleaning services and light maintenance and repair of chimneys, fireplaces, and other room heater appliances, and as a Manager of Midtown's parent company BEC & SSON Holdings, LLC, both of which were located in Denver, Colorado. He is also the Founder and Chairman of the Board of Crossover International, Inc., a Christian ministry through the game of basketball that he founded in 2001 that is located in Denver, Colorado.

Vice President: Kristopher A. Antolak

Mr. Antolak has served as our Vice President since November 2014. He has been employed with us since December 2009, first as a Call Center Representative, then as Team Leader and Call Center Manager, and later as Director of Scheduling Center and Franchise Development. Mr. Antolak is a co-owner of and manages multiple franchised OXI FRESH Businesses in Colorado.

Director of Cleaning Systems and On Boarding Specialist: Robert L. E. White

Mr. White has been our Director of Cleaning Systems since September 2009 and our On Boarding Specialist since March 2019. From March 2007 to September 2009, he served as our Cleaning System Manager. He was formerly employed with Oxi Fresh of Denver from February 2006 to March 2019, initially serving as an employee and beginning in March 2007 as its Operations Manager. He previously operated a franchised OXI FRESH Business in New Jersey from December 2011 to December 2013.

Director of Marketing and Design: Erin Hogan

Ms. Hogan has been our Director of Marketing and Design since August 2013.

Director of Scheduling Center: Kelli K. Harbaugh

Ms. Harbaugh has served as our Director of Scheduling Center since February 2018. She has been employed with us since September 2010, initially as a customer service representative, then as Scheduling Center Team Lead, and later as Scheduling Center Manager.

Director of Operations: Jordan S. Keith

Mr. Keith has been our Director of Operations since February 2018. Previously, he served as our Marketing Assistant from May 2015 to August 2015, and as our Operations Manager from September 2015 to January 2018. He was employed as a loan partner with Summit Funding, a home financing company located in Northglenn, Colorado, from July 2013 to October 2015.

Director of Franchise Development: Matt Kline

Mr. Kline has served as our Director of Franchise Development since February 2018. Previously, from February 2014 to February 2018, he was a franchise developer for us.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

You must pay to us an initial franchise fee ("**Initial Franchise Fee**") of $39,900 for your first franchise. The Initial Franchise Fee is paid in full when you execute the Franchise Agreement.

You may acquire additional franchises for the operation of additional OXI FRESH Businesses in additional Protected Territories. If you acquire multiple OXI FRESH Businesses which have adjacent

Protected Territories at the same time, you will sign a single Franchise Agreement for all of these OXI FRESH Businesses. However, you will be required to execute a separate Franchise Agreement for any additional OXI FRESH Businesses that are acquired at a later date or that have Protected Territories that are not adjacent. If you acquire additional OXI FRESH Businesses, you must pay us an Initial Franchise Fee equal to 75 percent of the then current Initial Franchise Fee offered by us for your second OXI FRESH Business franchise acquired and an Initial Franchise Fee of equal to 65 percent of the then current Initial Franchise Fee offered by us for your third and subsequent OXI FRESH Business franchises. These amounts are due in full upon execution of the relevant Franchise Agreement addressing each OXI FRESH Business.

We are a member of the International Franchise Association's VetFran initiative. If you have served as a veteran of the armed forces of the United States, you may be eligible to receive a discount of 10 percent off of the Initial Franchise Fee that would otherwise be due.

We offer franchisees the option to participate in additional training for "Commercial/Pull System" cleaning services and related marketing techniques (the "**Commercial/Pull System Training Program**") for an additional fee of $700 (the "**Commercial/Pull System Training Fee**"). The Commercial/Pull System Training Program provides instruction related to an alternative carpet cleaning method focused on the extraction of soil, stains, and other debris from carpet and upholstery which is marketed primarily to commercial customers. This training and fee are optional. You may choose to participate in the Commercial/Pull System Training Program and pay the Commercial/Pull System Training Fee at the time you initially acquire your franchise, or at a later date, subject to the availability of the Commercial/Pull System Training Program.

The Initial Franchise Fee is fully earned and non-refundable once paid in consideration of administrative and other expenses incurred by us in entering into the Franchise Agreement and for our lost or deferred opportunity to enter into a Franchise Agreement with others. The Commercial/Pull System Training Fee is also fully earned and non-refundable once paid, if applicable. Except as is provided in this Item 5, the Initial Franchise Fee and Commercial/Pull System Training Fee are generally uniform to all persons currently acquiring a franchise, although we have negotiated a reduced Initial Franchise Fee in certain cases based on specific circumstances including in situations in which a franchisee is acquiring a large number of OXI FRESH Businesses.

You may, but are not required to, purchase from us additional optional machines and packages. You will be required to pay us for such items. These include additional cleaning agents, at a price of up to $1,000, the tile and grout cleaning package, at a price of $500, the upholstery cleaning package, at a price of $950, and the hardwood floor cleaning package, at a price of $2,625. Some of these items may be purchased from third parties instead of from us, which may be at prices that are higher or lower than the prices noted above. See Item 7 for the further details regarding these purchases. Payments for purchases of these optional machines and packages is non-refundable once made.

In certain cases and in our discretion, we may allow potential franchisees to "reserve" a Protected Territory in which they may later purchase an OXI FRESH Business franchise (the "**Reserved Territory**"). If you desire to reserve a Protected Territory, and we agree to let you do so, you and we will sign the "Territory Reservation Deposit Agreement" in the form attached as Attachment E (the "**Deposit Agreement**"). Under the Deposit Agreement, you will pay us a deposit of $5,000 (the "**Deposit**") for each Reserved Territory, and we will agree not to award a franchise for or operate our own OXI FRESH Business within that Reserved Territory for a period of 90 days (the "**Reservation Period**"). The Deposit will be credited against the Initial Franchise Fee for the OXI FRESH Business franchise for the Reserved Territory if you purchase it prior to the expiration of the Reservation Period, otherwise the Deposit is

entirely nonrefundable in all circumstances. The Deposit may not be applied to the Initial Franchise Fee for an OXI FRESH Business franchise with a Protected Territory other than the Reserved Territory without our consent. If you execute a Deposit Agreement but fail to purchase the OXI FRESH Business franchises for the Reserved Territory within the Reservation Period, you forfeit the Deposit and must sign a release of any claims against us. If you execute a Deposit Agreement and desire to complete the purchase of the OXI FRESH Business franchises for the Reserved Territory, you must comply with all of our requirements for obtaining a franchise, including signing our Franchise Agreement and paying the full remainder of the Initial Franchise Fee.

If applicable, a portion of your Initial Franchise Fee may be paid by us to another franchisee who has referred you to us.

ITEM 6
OTHER FEES

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalty Fee[1,2,3]	$395 per month	Monthly by the 5th of each month	Royalty Fees are payable in advance on the 5th day of each month beginning when you start operations. We may increase this fee annually.
Job Fee[1,2,4]	(i) $14 per completed job; (ii) $40 per month for each Co-Op Line that we provide you; (iii) $40 per month for each Market Expansion Line that we provide you, if any; and (iv) $10 per month for each OXI FRESH Business you own to cover your share of the national Toll-Free Number	Monthly by the 5th of each month for the prior month	The Job Fee consists of four parts, a fee for each completed job, a monthly fee for each Co-op Line you acquire, a monthly fee for each Market Expansion Line you request and we agree to provide, and a monthly fee for the Toll-Free Number which we provide for franchisees. This fee is subject to an increase upon 60 days' notice to you (see Note 4). If an extra Co-Op Line is acquired to be shared by multiple OXI FRESH franchisees in Broad Area Marketing, the portion of the Job Fee related to that Co-Op Line will be divided equally among the applicable franchisees, or in another manner that we determine to be equitable based on the circumstances.
Advertising and Technology Fee[1,2,5]	Currently, 2% of your Gross Revenues or a minimum of $150, per month, which may be increased	Monthly by the 15th of each month	"**Gross Revenues**" includes all revenues of any kind received from customers or otherwise generated from or associated with your OXI FRESH Business, excluding sales taxes. We may increase the percentage of this fee up to a maximum of 3%, and we may also increase the minimum amount of this fee, upon 60 days' notice to you. The Advertising and Technology Fee is payable each month beginning when you start operations.
National and International Account Program Fees	Varies[6]	As incurred	For each N&I Account Program we establish with locations in your Protected Territory, you are required to participate in it, and we may charge a fee for additional training, our administration of the program, or referral of customers to you. See Item 12.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Cleaning Machines and Packages[1]	Will vary, based on our current price list	Prior to shipment or as agreed	You receive the Initial Equipment and Supplies Package at no additional charge when you sign your Franchise Agreement. You pay us for additional equipment and supplies you acquire from us. See Items 5 and 7. You are required to purchase a minimum level of certain equipment and supplies from us on an annual basis, in an amount equal to 3% of your Gross Revenues.
Commercial/Pull System Training Fee[1]	$700	Upon your election to participate in the Commercial/Pull System Training Program	This fee applies only if you choose to participate in the optional Commercial/Pull System Training Program.
Shipping Costs and Taxes[1]	Will vary	Prior to shipment or as agreed	You are responsible for all taxes, shipping costs and other costs incurred by us in selling and shipping equipment or supplies to you.
Annual Convention and Other Meeting Fee[1]	Varies. The amount charged for the most recent annual convention was $450 per franchisee attending.	As incurred	You are responsible for paying a pro rata cost of the annual convention and other mandatory meetings. We may, at our option, prorate the cost of the annual convention among all franchisees, regardless of actual attendance, and charge you 150% of that prorated cost if you fail to attend. We may waive this requirement, or part of this requirement, for franchisees that attend.
Additional Training, Assistance & Refresher Training[1]	Then current published rate (currently $700 per day, not including travel and lodging expenses)	As incurred	See Items 7 and 11. We provide an initial training program and Advanced Training Program for up to two persons for free. We provide the Commercial/Pull System Training Program for up to two persons in exchange for payment of the Commercial/Pull System Training Fee. You are responsible for paying your expenses for any training.
Successor Franchise Fee[1,2]	$4,000	At time of renewal	You will sign a then current Franchise Agreement upon exercise of your successor franchise rights.
Transfer Fee[1,2]	$4,000	Before transfer is effective	Payable by you or the transferee when the Franchise Agreement is transferred by you. If we identify the transferee for your Franchise Agreement, you will not be required to pay this Transfer Fee, and you will instead pay us the Resale Assistance Fee described below.
Resale Assistance Fee[1,2]	30% of the total consideration you receive for the sale of your OXI FRESH Business, but no less than $10,000 nor more than $20,000	Before transfer is effective	Payable to us, instead of the Transfer Fee described above, if we identify the transferee for your Franchise Agreement.
Transferee Training Fee[1,2]	$1,000	Prior to training	If you transfer your franchise, the transferee may be required to attend our initial training program and pay this training fee.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Supplier Approval[1]	Actual costs of supplier Approval	Upon receipt of bill	We reserve the right to charge you a fee for reviewing a proposed supplier of any goods or services to be used in connection with your OXI FRESH Business. If we determine that it is necessary to inspect the supplier's facilities or conduct tests, we will require you or the supplier to pay our actual costs incurred for inspection and testing.
Noncompliance Service Charge[1]	$500 or $1,000 per event of noncompliance, depending on the type of noncompliance	As incurred	We have the right to impose this charge, in addition to our other rights and remedies, if you are not in compliance with your Franchise Agreement or our standards and specifications. This charge will increase to $1,000 if you perform a job not scheduled through the scheduling center, fail to maintain required insurance following notice from us, use or possess unapproved products or materials, or engage in marketing outside of your Protected Territory in violation of the Franchise Agreement. If we determine that you have received Gross Revenues in excess of what you have reported to us, you will be deemed to have engaged in unreported jobs. If we are not able to determine the number of those unreported jobs then we may divide your excess revenues by your average per job revenue from the preceding 12 months to determine the number of Noncompliance Service Charges due.
Fee for Soliciting Customers Outside of Protected Territory[1]	All revenues derived from applicable customers	As incurred	We may require this fee to be paid to us or to the franchisee with rights to the territory where such customers are located.
Late Fees and Interest[1]	$50 late fee per incident plus 1.5% interest per month, or maximum allowed by law	When payment is overdue	Payable if your Royalty Fee or other amounts due us or any of our affiliates are not paid when due.
Insufficient Funds Fee[1]	3% of the amount due	As incurred	Payable for denied request for ACH Withdrawal (defined below), credit card charge, check, or other payment method.
Audit Fee[1]	Actual costs of audit plus interest on amount of overdue monies If you commit an Act of Deception (as defined in Section 16.5 of the Franchise Agreement), $15,000	As incurred	Payable if audit shows an underreporting of at least 2% of amounts to be paid or spent, or if you fail to provide certain supporting records to us. If you commit an Act of Deception, you must pay us $15,000 immediately upon notice from us to cover the cost of the audit. Any amounts unpaid, unreported or underreported must also be paid in full.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Unreported or Inaccurately Reported Sales or Underpayments[1]	Will vary under circumstances	Upon discovery of an Act of Deception	If you fail to report sales, provide false or inaccurate reports, fail to submit copies of contracts with clients, or underpay amounts owed, you must pay 100% of the gross income derived from the applicable sales or activities, plus interest at the rate of 2.5% per month or the maximum amount allowed by law, if you do not correct the matter within 25 days of notice.
Attorney Fees and Costs	Actual fees and costs	As incurred	Payable upon your failure to comply with the Franchise Agreement, or if you fail to prevail in litigation or arbitration against us related to the Franchise Agreement.
Indemnification	Actual costs of indemnifications	Upon receipt of bill	You are solely responsible for and must indemnify and hold us harmless for all loss, damage, claims or demands arising in connection with your operation of your OXI FRESH Business.

[1] Fees and costs that are imposed and payable to us. All these fees are nonrefundable. All fees are generally imposed uniformly on all franchisees who sign our current Franchise Agreement, but we may in unique situations modify certain fees. Certain fees set forth in the current Franchise Agreement have changed from the amounts charged in the past and may change in the future. Therefore, existing and future franchisees may have fees imposed on them that are different from those represented in this table. We may charge any fees against your bank account or credit card, at our option. Before you commence operations of your OXI FRESH Business, you must sign and deliver to us and your bank all documents needed to permit us to debit your bank account ("**ACH Withdrawal**") for the Royalty Fees, Advertising and Technology Fees, Job Fees, and other payments due to us under the Franchise Agreement or otherwise. You must also sign and deliver to us a credit card authorization permitting us to charge your credit card for all Royalty Fees, Advertising and Technology Fees, Job Fees, and other payments due to us under the Franchise Agreement or otherwise. The bank account and credit card must be dedicated exclusively to the OXI FRESH Business and not used for any other business or non-business purpose. If you change your account or transfer your account to a different bank or if you change your credit card, you must notify us within one day, and sign and deliver to us, and your bank if applicable, new documents to permit us to debit your bank account and charge your credit card within three days. You must maintain at least $5,000 in your bank account for the ACH Withdrawal and have a credit limit of at least $5,000 on your credit card. We may require you to pay all amounts due by means other than ACH Withdrawal or credit card whenever we deem appropriate, and may require that you execute the forms and complete the procedures we may establish to permit us to charge your fees to a bank account or credit card.

[2] If you acquire the right to operate multiple OXI FRESH Businesses, you must pay the Royalty Fee, the Advertising and Technology Fee, and the portion of the Job Fee related to the national Toll-Free Number for each OXI FRESH Business. Each Protected Territory that you acquire rights to represents a separate OXI FRESH Business. Further, if you acquire the right to operate more than one OXI FRESH Business, whether under the same Franchise Agreement or under multiple Franchise Agreements executed at the same time, we may require that the first 12 months of Royalty Fees for the second and each subsequent OXI FRESH Business franchise that is granted be paid in advance upon the execution of the Franchise Agreement. You must pay a successor franchise fee for each individual OXI

FRESH Business for which you are exercising successor franchise rights. You must also pay, as applicable, a transfer fee or a resale assistance fee, and a transferee training fee for each OXI FRESH Business that is transferred. If you comply with our requirements for a successor franchise or transfer, the successor franchise and transfer rights may be exercised for each OXI FRESH Business individually or collectively.

[3] The amount of the Royalty Fee may be increased by us on an annual basis on May 1 of each year at our election based on the increase in the U.S. Consumer Price Index for All Urban Consumers (CPI-U) for the all U.S. City Average for All Items (the "**CPI**") plus up to 5 percent per year since the date of the last Royalty Fee increase for existing franchisees.

[4] When you sign your initial Franchise Agreement and pay the Initial Franchise Fee, you become a member of our scheduling center. The scheduling center will schedule your appointments. You must use our scheduling center to schedule all appointments for your OXI FRESH Business.

For each OXI FRESH Business you acquire, we will provide you a telephone line with a number that is local to your Protected Territory (the "**Co-Op Line**"). This Co-Op Line will ring into the scheduling center for scheduling of jobs based on the zip code entered by the caller. The jobs scheduled through a Co-Op Line shall be assigned by the scheduling center to the franchisee with the protected territory rights to the zip code provided by the caller, regardless of which franchisee's Co-Op Line is called. You must have at least one Co-Op Line for each OXI FRESH Business or Protected Territory. You may acquire additional Co-Op Lines with payment of an increased Job Fee as described in this table. You may also request, at your option and for an additional increase in the Job Fee as described in this table, for us to provide you another telephone line with a number local to your Protected Territory which rings into the Scheduling Center for scheduling of jobs only for your OXI FRESH Business, regardless of the location of the job or the caller (a "**Market Expansion Line**"). Our decision to provide and allow the use of a Market Expansion Line will be in our sole discretion if we determine that use of a Market Expansion Line is appropriate based on the circumstances of your OXI FRESH Business and Protected Territory. We may discontinue providing and allowing use of any Market Expansion Line, or convert any Market Expansion Line to a Co-Op Line, if we determine in our sole discretion that circumstances are no longer appropriate for the Market Expansion Line. If our telephone carrier does not have coverage within your Protected Territory, you will be required to obtain a local telephone line for the required Co-Op Line for each OXI FRESH Business and any additional telephone line desired, arrange for the connection of the line to the scheduling center, and, unless we specify otherwise, reassign the line to our telephone carrier and transfer to us the rights in the line, at which point the local line will be deemed a Co-Op Line or Market Expansion Line to be provided by us to you.

We will also provide a single toll-free custom telephone number for the entire Oxi Fresh franchise system (the "**Toll-Free Number**"), which will connect to the scheduling center and schedule appointments for franchisees based on the zip code entered by the caller.

You and your customers will also be able to schedule jobs with the scheduling center over the Internet using our Internet-based system (the "**Oxi Fresh Scheduling and Marketing System**"). This Oxi Fresh Scheduling and Marketing System will also be used for certain marketing purposes. See Item 11. It is your responsibility to check and monitor your schedule through the Oxi Fresh Scheduling and Marketing System and operate your OXI FRESH Business in accordance with that schedule.

As indicated in the table, you will pay us a job fee (the "**Job Fee**") related to the telephone services and scheduling center services we provide, which will consist of the following elements: (i) $14 for each completed job that is scheduled for you through the scheduling center; (ii) $40 per month for

each Co-Op Line that we provide you, (iii) $40 per month for each Market Expansion Line that we provide you, if any; and (iv) $10 per month for each OXI FRESH Business or Protected Territory you own for the Toll-Free Number we provide.

The portion of the Job Fee based on each job scheduled for you will apply whether the job is scheduled through the scheduling center by telephone or by Internet through the Oxi Fresh Scheduling and Marketing System, by the customer or by you yourself. The only circumstance in which it will not be payable for a scheduled job is in the event that the job is not completed due to reasons outside your control.

The amount of each of the four elements comprising the Job Fee may be increased by us no more frequently than once per year. The maximum amount of each increase for each of the individual elements of the Job Fee shall be equal to the percentage increase in the CPI plus 5 percent per year since the date of the last increase of that particular fee element for existing franchisees. As of the date of this Disclosure Document, the dates of the most recent increases for each of the elements of the Job Fee for existing franchisees in the Oxi Fresh franchise system were (i) February 5, 2020 for the element based on completed jobs, (ii) March 29, 2013 for the element paid related to each Co-Op Line, (iii) March 26, 2010 for the element paid related to each Market Expansion Line, and (iv) March 31, 2012 for the element paid related to the Toll-Free Number.

The scheduling center provides an approximate price quote to a customer or you when scheduling a job. The amount quoted is determined solely by us dependent on the number of rooms and type of rooms to be cleaned, and typically includes a scheduling charge of $15 to cover the portion of the Job Fee you are required to pay us for each job. Although the scheduling charge is intended to offset part of the Job Fee you pay, the scheduling charge and the Job Fee are distinct. This scheduling charge is included in the quote given to a customer for what the customer will pay you, while the Job Fee is the set fee that you pay to us. You are permitted to charge any amount for the cleaning services you provide through your OXI FRESH Business, subject to the other provisions of your Franchise Agreement and your obligation to comply with our standards, specifications, and Licensed Methods to the extent that they relate to pricing matters. The current Licensed Methods require that you may have only one base price sheet and one calendar for job scheduling per each Protected Territory you acquire, which will apply for the entire relevant Protected Territory. Within a calendar you may have multiple job schedules based on the number of technicians you employ.

At any time you are in default of your obligation to pay the Job Fee or any other fee or amount due to us by its due date, we may, at our option and in addition to our other rights and remedies under the Franchise Agreement, suspend your membership and schedule in the scheduling center and the Oxi Fresh Scheduling and Marketing System until your default is cured.

[5] Advertising and Technology Fees are payable beginning when you provide your first cleaning service to a customer through your OXI FRESH Business. The percentage amount of the Advertising and Technology Fee may be increased up to a maximum of 3 percent of your Gross Revenues at any time upon 60 days' notice to you. The minimum amount of the Advertising and Technology Fee may also be increased by us. Each increase to this minimum amount shall be no greater than the percentage increase in the CPI plus 20 percent per year since the date of the last increase of the fee for existing franchisees. As of the date of this Disclosure Document, the date of the most recent increase of this minimum amount of the Advertising and Technology Fee for existing franchisees in the Oxi Fresh franchise system was December 1, 2018. Each of the percentage amount and minimum amount of the Advertising and Technology Fee may be increased in this manner no more frequently than once per year.

6 For each N&I Account Program, as defined in Item 12, that we establish, we may charge fees which will vary depending on our arrangement with the N&I Account Program customer, the services requested by the customer, and our involvement in administering and providing services related to the program.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Initial Franchise Fee (Note 1)	$39,900	Cash	Upon signing of Franchise Agreement. If you reserve a Protected Territory in advance, $5,000 will be paid upon signing of Deposit Agreement. (Note 2)	Us
Cleaning Agents (Note 3)	$0 – $1,000	As Arranged	Upon order of Package	Us and Third Parties
Tile and Grout Cleaning Package (Note 3)	$0 – $500	As Arranged	Upon order of Package	Us
Upholstery Cleaning Package (Note 3)	$0 – $950	As Arranged	Upon order of Package	Us and Third Parties
Hardwood Floor Cleaning Package (Note 3)	$0 – $2,625	As Arranged	Upon order of Package	Us and Third Parties
Commercial/Pull System Training Fee (Note 4)	$0 – $700	Cash	Upon your election to participate in the Commercial/Pull System Training Program	Us
Initial Training Expenses (Note 5)	$700 – $4,400	As Arranged	As Arranged	Vendors
Vehicle (Note 6)	0 – $1,800	As Arranged	As Arranged	Third Parties
Insurance Deposit (Note 7)	$240 – $310	As Arranged	As Arranged	Insurance Companies
Legal and Accounting Fees (Note 8)	$700 – $1,000	As Arranged	As Arranged	Attorney & Accountant
Computer Hardware and Software (Note 9)	$0 – $1,300	As Arranged	As Arranged	Vendors
Office Equipment and Supplies (Note 10)	$100 – $500	As Arranged	As Arranged	Vendors
Uniform Costs (Note 11)	$60 – $120	As Arranged	As Arranged	Vendors

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Royalty Fee (1st 3 Months) (Note 12)	$1,185	Cash	Monthly	Us
Advertising and Technology Fee (1st 3 Months) (Note 12)	$450	As Incurred	Monthly	Us
Job Fee (Note 12)	$1,130 – $2,950	As Incurred	Monthly	Us
Marketing Expenses (1st 3 Months) (Note 13)	$0 – $8,000	As Arranged	As Arranged	Vendors
Additional Funds (Working Capital - 3 months) (Note 14)	$1,000 – $8,000	As Arranged	As Arranged	Vendors
Totals (Notes 15 and 16)	**$45,465 – $75,690**			

FOOTNOTES TO INITIAL INVESTMENT OF FRANCHISEE

Note 1 **Initial Franchise Fee.** The Initial Franchise Fee for your first franchise is $39,900 for a Protected Territory of 110,000 households. See Item 5 for further information regarding the Initial Franchise Fee. The Initial Franchise Fee for a second franchise is 75 percent of the then current Initial Franchise Fee for a Protected Territory of 110,000 households. The Initial Franchise Fee for a third and each subsequent franchise is 65 percent of the then current Initial Franchise Fee for a Protected Territory of 110,000 households each. See Items 5 and 12 of this Disclosure Document. The estimated initial investment set forth in this table assumes that you will acquire the franchise rights for one OXI FRESH Business. If you acquire more than one OXI FRESH Business, your estimated initial investment will increase.

Note 2 **Reservation of Protected Territory.** In certain circumstances, we may allow you to acquire the right to reserve a Protected Territory for a 90-day period in exchange for a $5,000 deposit, as described in Item 5. The deposit is payable upon execution of the Deposit Agreement. If you acquire the OXI FRESH Business franchise for the reserved territory within the reservation period, the deposit will be applied against the Initial Franchise Fee for that franchise. Except for this limited right to have the deposit applied against the Initial Franchise Fee, the deposit is nonrefundable in all circumstances.

Note 3 **Cleaning Machines and Packages.** Your primary business will be cleaning of carpets, rugs, and upholstery. You are also permitted, but not required, to offer tile and grout cleaning services and hardwood floor cleaning services as part of your OXI FRESH Business. For each OXI FRESH Business that you acquire, when you sign your Franchise Agreement and pay us the Initial Franchise Fee, you will receive an Initial Equipment and Supplies Package. The Initial Equipment and Supplies Package includes one carpet cleaning machine with sprayers and brushes, one upholstery cleaning machine, one vacuum cleaner, and a start up kit of cleaning agents.

You will need to purchase additional cleaning agents as and when you use up the initial supply of cleaning agents we provide to you. The carpet cleaning machines may be used independently or connected together for faster carpet and rug cleaning services. If you elect to offer tile and grout cleaning services, you will need to buy tile and grout brushes that attach to the carpet cleaning machine we provide to you and a supply of tile and grout cleaning agents. You will need to purchase one set of tile and grout brushes for each carpet cleaning machine that you operate. If you elect to offer hardwood floor cleaning as an additional optional service in your OXI FRESH Business, you will need to purchase a hardwood floor cleaning machine and hardwood floor cleaning agents from us or our designated supplier.

You are permitted to purchase additional or replacement carpet cleaning machines, upholstery cleaning machines, vacuum cleaners, tile and grout brushes, and cleaning agents from us at any time. The amount on the high end in the entries on the table represent your cost if you purchase additional items. There is no limit on the number of machines, vacuum cleaners, or other equipment you may use in your OXI FRESH Business.

Note 4 **Commercial/Pull System Training Fee.** At your option, you may choose to participate in our Commercial/Pull System Training Program in addition to the initial training program. The Commercial/Pull System Training Fee is payable at the time that you elect to participate in the Commercial/Pull System Training Program.

Note 5 **Initial Training Expenses.** We do not charge for our initial training program for up to two persons. There is a fee for participation in the Commercial/Pull System Training Program as described above in Note 4. For each training program, you are required to pay the transportation to and from our training site and pay for the living arrangements, food and other miscellaneous expenses during the time of training for each person attending your training. We estimate that your travel expenses for each training program will be $500 to $2,000. We estimate costs of $100 per day, per person, for lodging, food and other miscellaneous expenses, plus travel expenses to and from your location. See Item 11 of this Disclosure Document.

Note 6 **Vehicle.** Although we do not require a franchisee to acquire a vehicle to operate its OXI FRESH Business, depending on the market, it may be desirable or necessary to use a vehicle. If you do not already own or lease a vehicle, you may obtain a vehicle to use in your OXI FRESH Business. If you do choose to use a vehicle and do not already own or lease a vehicle, we estimate that your lease payments for the vehicle will be between $200 and $600 per month. Your initial expenses will increase significantly if you desire to purchase a vehicle. Your costs will depend on the quality and type of vehicle you desire to obtain, the amount of use of your vehicle, financing options, whether you purchase or lease the vehicle, payment terms, the upgrades you desire and the local market.

Note 7 **Insurance Deposit.** We estimate that your initial insurance premium deposit will be approximately $240 to $310 and will include payments for worker's compensation, general liability, errors and omissions, commercial auto, equipment and personal property coverage. The total insurance premium is estimated at $1,000 to $1,250 per year.

Note 8 **Legal and Accounting Fees.** We estimate that your legal and accounting fees will be $700 to $1,000. These legal fees will be paid by you, if appropriate, in order to obtain an attorney to help form a business entity and review any other contracts or agreements that may be needed by you in order to begin operating your OXI FRESH Business. You will also need to retain an accounting or bookkeeping service to assist in the set up and preparation of a financial reporting system.

Note 9 **Computer Hardware and Software.** See Item 11 of this Disclosure Document.

Note 10 Office Equipment and Supplies. You will need a cell telephone, calculator, executive planner, pens, refrigerator magnets (used as your business cards), work orders, paper, pencils, paper clips, stapler, binder clips and other miscellaneous items.

Note 11 Uniform Costs. Our uniform is a logoed shirt. You will need to acquire any shirts through our designated supplier as needed.

Note 12 Fees. These fees become payable to us after you sign your Franchise Agreement and your business opens or at such other time as we designate. The estimate of the Royalty Fee in this table is based on the current flat rate for a single OXI FRESH Business over three months. If you acquire the right to operate more than one OXI FRESH Business under the same Franchise Agreement, or under multiple Franchise Agreements executed at the same time, then we may require you to pay the first 12 months of Royalty Fees for the second and each subsequent OXI FRESH Business franchise that is granted in advance upon the execution of the Franchise Agreement. This advance payment of Royalty Fees, if required, is not refundable under any circumstances, even if you do not commence operations of the subsequent OXI FRESH Businesses. The estimate of the Advertising and Technology Fees in this table is based on the current minimum rate for a single OXI FRESH Business over three months. The estimate of the Job Fee in this table assumes that you will have only one Co-Op Line and one OXI FRESH Business. If you acquire more than one Co-Op Line, one or more optional Market Expansion Lines, or more than one OXI FRESH Business, your estimated initial investment will increase. See Item 6 for further information regarding fees.

Note 13 Marketing Expenses. You are not required to undertake any local market advertising although you are strongly encouraged to do so. See Item 11.

Note 14 Additional Funds. The disclosure laws require us to include this estimate of costs and expenses to operate your OXI FRESH Business during the "initial period" of the business, which is defined as three months or a longer period if "reasonable for the industry." We are not aware of any established longer "reasonable period," so our disclosures cover a three-month period. The estimate of additional funds is based on an owner-operated business and does not include any allowance for an owner's draw or salary. The estimate of $1,000 to $8,000 is for approximately three months. We estimate that, in general, you may expect to put additional cash into the business during at least the first three months, and sometimes longer. We cannot estimate or promise when or whether you will achieve a positive cash flow or profits.

Note 15 Estimated Initial Investment. The figures and footnotes listed above are estimates and we cannot guarantee that you will not have additional expenses starting your OXI FRESH Business. Your costs will depend on factors such as: how well you follow our methods and procedures; your management skills; your business experience and capabilities; local economic conditions; the local market for our products and services; competition; and sales levels reached during your initial period of business operations. We have relied on the 12 years of experience in this industry by us and our affiliated companies and the more than 14 years of experience in this industry by our President and founder, Jonathan Barnett, in compiling these estimates. You should review these figures carefully with a business advisor before making any decision to purchase this franchise opportunity. Except as set forth in this Item 7, we do not provide an estimate of operating costs for your OXI FRESH Business over any period.

Note 16 Refunds. No fees or payments to us are refundable under any circumstances. However, the Deposit may be applied against Initial Franchise Fees in certain circumstances, as described

in Note 2. Payments to third parties may or may not be refundable depending on your agreement with such third parties; however, usually such payments are nonrefundable.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must establish and operate your OXI FRESH Business in compliance with your Franchise Agreement, and with the standards and specifications contained in the Operations Manual that we loan to you. The Operations Manual is designed to protect our reputation and the goodwill of the Marks, it is not designed to control the day-to-day operations of your OXI FRESH Business. Your rights to operate the OXI FRESH Business pursuant to your Franchise Agreement are always subject to your obligation to comply with our standards and specifications and the Licensed Methods.

You must purchase specified products and services, and acquire certain equipment, inventory, and signage required for the operation of your OXI FRESH Business solely from suppliers (including distributors, manufacturers, and other sources) who have been approved in writing by us, as described in the Operations Manual. We maintain written lists of approved items of certain services, equipment, inventory, and supplies (by brand name and/or by standards and specifications) and lists of approved suppliers for those items. We update our lists occasionally and issue the updated lists to all franchisees.

We will furnish our standards and specifications, as well as our criteria for supplier approval, to franchisees on request, but only on a confidential basis and after you have completed your initial training program.

If you desire to purchase any items from an unapproved supplier, you or the supplier must submit to us a written request for approval. We will consider all relevant factors in an approval request, including the quality of goods and services, capacity of supplier, financial condition, terms and other requirements consistent with other supplier relationships. We do not have any specific written criteria. We may inspect the supplier's facilities and require that samples from the supplier be delivered or made available to us or our designee for testing. You or the proposed supplier shall pay us in advance for all of our reasonable costs in regard to inspecting the supplier, its facilities and the items involved (see Item 6 concerning the supplier approval fee). We will normally notify the supplier and you of our decision in writing within a commercially reasonable time, but no later than 30 days after a request. We may at times re-inspect the facilities and products of any previously approved supplier at your expense or the expense of the supplier. We may revoke our approval if the supplier fails to meet any of our standards and specifications at any time. Except for ownership interests in us, no officer of ours holds any ownership interest in any of our approved suppliers.

We are not obligated to provide any warranties or maintenance for your equipment, inventory, or signage. However, the manufacturer of these items may provide warranties and maintenance for them. The manufacturers of the items or other parties may also offer extended or additional warranties or maintenance services on certain items for an additional fee which you may choose to obtain, but you are not required to do so.

You must purchase certain products, services, supplies, and equipment under specifications and standards that we periodically establish either in the Franchise Agreement, the Operations Manual or other notices we send to you. These specifications are established to provide standards for performance, durability, design and appearance. We will notify you whenever we establish or revise any of our standards or specifications, or if we designate approved suppliers for products, services, equipment or services.

We may choose to negotiate purchase agreements for certain services, equipment or supplies. You may purchase these services, equipment or supplies from designated suppliers or from any approved supplier on terms as you negotiate. At the time you begin operating your OXI FRESH Business, you must stock and display the initial inventory of products, services and supplies required by us as outlined in the Operations Manual, or otherwise in writing.

Before you provide your first cleaning service to a customer through your OXI FRESH Business, you must obtain certain minimum insurance coverage as required in the Operations Manual, naming us and our officers, directors, partners, agents, and employees as additional insureds. We currently have a designated insurance provider from whom franchisees are generally required to obtain this insurance coverage. The prescribed insurance is currently as follows: (i) comprehensive general liability insurance with a limit of not less than $1 million per occurrence and $2 million general aggregate; (ii) errors and omissions insurance with a minimum limit of $250,000; (iii) property damage liability insurance, covering at a minimum the perils of fire and extended coverage and vandalism, with a minimum limit of $1 million; (iv) worker's compensation and employer's liability insurance with coverage sufficient to meet the requirements of the law; (v) motor vehicle coverage with minimum limits of $1 million for any one accident; and (vi) such other insurance as may be required by statute or other laws of the state and/or any local governmental entities in which your OXI FRESH Business is located and operated. All insurance policies must be written by an insurance company satisfactory to us and provide for 30 days advance written notice to us of cancellation or any material alteration. The policies, as applicable, must include coverage for non-owned automobiles. We may increase these limits or require new types of coverage at any time upon notice to you. You must maintain this insurance coverage during the entire term of your Franchise Agreement. You should consult an attorney or insurance advisor for recommended coverage.

You must obtain our approval before you use any advertising and promotional materials, signs, forms and stationary unless we have prepared or approved them during the 12 months prior to their proposed use. You must purchase certain advertising and promotional materials, brochures, fliers, forms, refrigerator magnet business cards, and letterhead from approved vendors only. You must not engage in any advertising of your OXI FRESH Business unless we have previously approved the medium, content and method. You must not advertise or list your OXI FRESH Business in any classified telephone directories without our prior written permission.

You are obligated to acquire from us, or one of our affiliated companies, certain proprietary items in order to launch your OXI FRESH Business successfully. These proprietary items include your equipment packages and initial supply of cleaning agents. You will acquire these proprietary items following the completion of your initial training program. See Item 7 of this Disclosure Document. We are currently the sole approved supplier for the equipment packages and cleaning agents used in your OXI FRESH Business.

To help ensure that franchisees are offering, performing, and selling the services and products as approved by us, franchisees are required to spend on an annual basis no less than 3 percent of their Gross Revenues each full or partial calendar year on purchases of certain necessary equipment, inventory, materials and related items, forms, and other supplies as we may designate periodically from us or our designated suppliers (the "**Minimum Purchase Obligations**"). The prices charged to you by us or our suppliers shall be established by us or the other suppliers, respectively.

We estimate that all of these purchases from us, or one of our affiliated companies, to be approximately 70 to 80 percent of all purchases and leases by you in connection with the cost of

establishing your OXI FRESH Business, and approximately 20 to 25 percent of the costs of operating your OXI FRESH Business.

Once you open your OXI FRESH Business, you may purchase additional products, supplies or equipment from any approved supplier or vendor.

All of your bookkeeping and accounting records, financial statements, and all reports you submit to us must conform to our requirements. You will be required to report information regarding your OXI FRESH Business through the Oxi Fresh Scheduling and Marketing System or in another manner that we specify. In particular, you must report to us the information required to close out all job orders scheduled through the scheduling center. We have the right to inspect and audit your records, the records of certain individuals and companies affiliated with your OXI FRESH Business, and the records of the immediate family members of you and these affiliated individuals.

You are required to have a computer with access to the Internet and that can run Microsoft Office Excel. See Item 11 below.

You must comply with all agreements with third parties related to your OXI FRESH Business. You must become a member of any franchise, trade, or other associations or organizations that in our opinion are useful in the operation of an OXI FRESH Business.

We will derive revenues from the acquisition of the equipment packages, from the sales of cleaning agents, supplies and other items, and from the services we provide through our scheduling center. During our last fiscal year (ending on December 31, 2019), we had revenues of $6,993,678. Of this amount, $2,995,442 (approximately 42.8 percent) consisted of revenues from products and services provided to franchisees. See our financial statement discussed in Item 21. No affiliated company of ours derived revenues from the sale of any products or services to our franchisees.

We may negotiate purchase arrangements for your benefit. We do not provide any material benefit to you based on your use of approved suppliers. We have no purchasing or distribution cooperatives. As of the date of this Disclosure Document, we have an agreement with the approved supplier for print, apparel, and promotional items for our franchisees, which provides that we will receive 5 percent of the amount paid to the supplier by our franchisees for product purchases. We currently contribute the amounts we receive from this supplier to the Advertising and Technology Fund, defined in Item 11, for the benefit of the Oxi Fresh system, although we are not contractually bound to do so and may cease making these contributions at any time in our discretion. We reserve the right to receive other payments from this designated supplier and other designated suppliers in the future.

Except as is set forth in this Item 8, you do not receive a material benefit from us based on your use of any particular designated or approved source.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Franchise Agreement ("**FA**") Sections 4.1 and 11.1	Items 7 and 11
b. Pre-opening purchases/leases	FA Sections 4.1, 7.1 and 11.1	Items 7 and 8
c. Site development and other pre-opening requirements	FA Sections 4.1, 7.1 and 11.1	Items 7, 8 and 11
d. Initial and ongoing training	FA Article 6	Item 11
e. Opening	FA Sections 7.3 and 11.1	Item 11
f. Fees	FA Section 5.1 and Article 12; Deposit Agreement ("**DA**") Sections 1 and 2	Items 5 and 6
g. Compliance with standards and policies/Operating Manual	FA Articles 7, 9 and 14, and Section 11.1	Items 8, 11 and 16
h. Trademarks and proprietary information	FA Article 15 and Sections 9.2 and 20.5	Items 13 and 14
i. Restrictions on products/services offered	FA Sections 1.1 and 11.1	Items 8 and 16
j. Warranty and customer service requirements	Not Applicable	Not Applicable
k. Territorial development and sales quotas	FA Section 4.2; DA Sections 1 and 2	Item 12
l. Ongoing product/service purchases	FA Sections 11.1 and 14.2	Item 8
m. Maintenance, appearance and remodeling requirements	FA Sections 4.1, 7.1, and 11.1 and Article 9	Not Applicable
n. Insurance	FA Article 21	Item 7
o. Advertising	FA Article 13	Items 6, 7 and 11
p. Indemnification	FA Section 19.3	Item 7
q. Owner's participation/ management/staffing	FA Section 11.1	Item 15
r. Records and reports	FA Section 11.1 and Article 16	Item 11

Obligation	Section in Agreement	Disclosure Document Item
s. Inspections and audits	FA Section 11.4 and Article 16	Items 6 and 11
t. Transfer	FA Section 11.3 and Article 17; DA Section 9	Items 6 and 17
u. Renewal	FA Sections 3.3 and 3.4	Items 6 and 17
v. Post-termination obligations	FA Sections 18.5, and 18.7 through 18.11; DA Sections 6 and 7	Item 17
w. Non-competition covenants	FA Article 20; DA Section 7	Item 17
x. Dispute resolution	FA Section 22.1; DA Section 5	Item 17

ITEM 10
FINANCING

Neither we nor any agent or affiliate of ours offer direct or indirect financing to our franchisees. We do not guarantee any notes, leases or other obligations of our franchisees.

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

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

Pre-Opening Obligations.

Prior to providing your first cleaning service to a customer through your OXI FRESH Business, we (or our designee) will provide the following assistance and services to you (Section 8.1 of FA unless otherwise noted):

A. We will designate your Protected Territory (Sections 4.2 and 8.1 of FA).

B. We will review and approve or disapprove the site selected by you for the OXI FRESH Business, and, if applicable, the lease or purchase agreement for such site (Sections 4.1 and 8.1 of FA).

C. For each OXI FRESH Business that you acquire, we or our designee will provide you with the Initial Equipment and Supplies Package. We or our designee will sell to you additional carpet cleaning machines, upholstery cleaning machines, vacuum cleaners, other cleaning machines if available, tile and grout brushes, hardwood floor cleaning machines, and cleaning agents.

D. We will identify the equipment, materials and supplies necessary for your OXI FRESH Business to permit you to begin operations, including the minimum standards and specifications that must be satisfied and the suppliers from whom these items may be purchased or leased (Sections 7.1 and 8.1 of FA).

E. We will conduct the initial training program for you or your Operations Manager (as defined below) and up to one additional employee, at a time and location designated by us (Sections 6.1 and 8.1 of FA).

F. We will provide lists of approved items of equipment, inventory, and supplies (by brand name and/or by standards and specifications) and lists of approved suppliers for those items.

G. We will loan to you one copy of the Operations Manual and other manuals and training aids designated by us for use in the Licensed Methods, as they may be revised by us (Section 8.1 and Article 9 of FA).

H. We will provide you access to our Inner Circle portion of our website for delivery of sales leads, market information and other relevant information.

I. We will provide you a membership to our scheduling center and a Co-Op Line. At your request, we will provide you additional Co-Op Lines and, at our discretion, with one or more Market Expansion Lines. Your Job Fee will increase for each Co-Op Line and Market Expansion Line you acquire. See Item 6. We will also provide you with guidance related to accessing the Oxi Fresh Scheduling and Marketing System, scheduling jobs on the Internet, and any other functions of the system. You must comply with any terms related to the scheduling center and the Oxi Fresh Scheduling and Marketing System related to the scheduling of appointments and your OXI FRESH Business.

J. We will provide advice and guidance in preparing to provide services through your OXI FRESH Business, including standards and procedures for obtaining inventory and supplies, providing approved services, advertising, promoting and operating your OXI FRESH Business (Section 8.1 and Article 9 of FA).

Continuing Obligations.

During the operation of your OXI FRESH Business, we (or our designee) will provide the following assistance and services to you (Section 10.1 of FA unless otherwise noted):

A. We will provide continuing courses of training, at times and locations designated by us. In particular, we will provide the Advanced Training Program, as defined below. We will also provide the Commercial/Pull System Training Program upon your request if you pay the Commercial/Pull System Training Fee (Sections 6.3 and 10.1 of FA).

B. At our discretion, we may inspect your OXI FRESH Business and/or work performed for some of your customers, as we deem advisable (Sections 10.1 and 11.4 of FA).

C. We will provide you updated lists of approved items of equipment, inventory, and supplies (by brand name and/or by standards and specifications) and updated lists of approved suppliers for those items.

D. We will periodically provide you advice and guidance in operating your OXI FRESH Business through meetings, printed materials and/or other media, as we make available to all of our franchisees.

E. We will schedule appointments for you through our scheduling center and provide the Co-Op Line(s) and Market Expansion Line(s). We do not make any warranties related to the Oxi Fresh Scheduling and Marketing System, and we are not responsible for any incidental, special, or consequential damages, or for any claims made by third parties against you, related to the operation of the Oxi Fresh Scheduling and Marketing System, or any errors or interruptions in those operations. We may suspend your membership and schedule with the scheduling center and the Oxi Fresh Scheduling and the Marketing System at any time you are in default of your obligation to pay the Job Fee or any other fee or amount due to us, in addition to any other rights or remedies we may have.

F. We will provide the Toll-Free Number as described in Item 6. A portion of the Job Fee that you pay us includes a fee for the Toll-Free Number. See Item 6. In lieu of us paying for the Toll-Free Number directly, we may require you to sign up with the Toll-Free Number telephone carrier to use the Toll-Free Number and pay the rates for the Toll-Free Number directly to the telephone carrier. As discussed below, you must use the Toll-Free Number in certain advertisements for your OXI FRESH Business. We reserve the right to discontinue or change the Toll-Free Number in our sole discretion.

G. We will permit you to use our Licensed Methods, as they may be modified (Sections 2.1 and 15.3 of FA).

H. We will permit you to use our Marks in accordance with our specifications (Sections 2.1 and 15.1 of FA).

Sources of Supply.

Although not included in the Franchise Agreement, and although we are not required to perform these services under the Franchise Agreement, we will use commercially reasonable efforts to provide the following guidance and assistance on a continuing basis to enhance the growth and performance of our franchise program:

A. We will continue to search for more cost-efficient sources of supply. With the strength of group purchasing, we will endeavor to purchase supplies and inventory at reduced prices.

B. We will endeavor to maintain an inventory of promotional material and sales and service manuals, available at reasonable costs.

C. We may perform periodic quality control visits to your OXI FRESH Business. During these visits all operations may be inspected and recommendations may be made to correct deficiencies, improve techniques, and enhance the efficiency of your OXI FRESH Business.

D. We may continually evolve in order to meet changing consumer demands and market conditions. Accordingly, we reserve the right to change the Licensed Methods and Manual as needed due to these changes. You must promptly adopt these modifications and improvements at your sole expense.

Advertising Programs.

The Advertising and Technology Fund. You are required to remit to us an advertising and technology fee equal to 2 percent of your Gross Revenues each month, or a minimum of $150 per month, as of the date of this Disclosure Document ("**Advertising and Technology Fee**"). The percentage amount and the minimum amount of the Advertising and Technology Fee may be increased at any time at our sole discretion upon 60 days' notice to you, subject to those restrictions listed in Note 5 to Item 6. The Advertising and Technology Fee will be payable monthly on the 15th day of each month. If you acquire the right to operate multiple OXI FRESH Businesses under the Franchise Agreement, then you will be required to pay the Advertising and Technology Fee for each OXI FRESH Business.

We will deposit the Advertising and Technology Fees in a separate bank account, commercial account or savings account ("**Advertising and Technology Fund**"). The Advertising and Technology Fund is administered by us, at our discretion. The Advertising and Technology Fund proceeds may be used for researching, preparing, maintaining, administering and directing advertising and promotional materials and public relations programs, including production of commercial print, radio, television, magazine, newspaper, Internet advertising, direct response literature, direct mailings, brochures, collateral materials advertising, surveys of advertising effectiveness, and other advertising or public relations expenditures, for any international, national, or regional media. We may also use the Advertising and Technology Fund to pay for the expenses related to researching, developing, implementing, servicing, and operating any technology used in any manner related to the Oxi Fresh franchise system or the OXI FRESH Businesses, including the Oxi Fresh Scheduling and Marketing System, or any other or new technologies utilized in or related to our scheduling center, our website, the Co-Op Lines, the Market Expansion Lines, the Toll-Free Number, search engine optimization, booking of jobs for OXI FRESH Businesses, reporting of information for OXI FRESH Businesses, the equipment and cleaning agents used in OXI FRESH Businesses, or OXI FRESH Business computer systems (collectively, the "**Technology**"). We may reimburse our self from the Advertising and Technology Fund for administrative costs, including the salaries of public relations personnel or persons administering the advertising services, the salaries of persons providing services related to any Technology, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes and all other reasonable direct or indirect expenses that we or our authorized representatives incur with the programs or work funded by the Advertising and Technology Fund. We do not currently intend to have the Advertising and Technology Fund audited. Upon request, we will make available to you, no later than 120 days after the end of each calendar year, an annual unaudited financial statement for the Advertising and Technology Fund that shows how the Advertising and Technology Fund proceeds have been spent. No other accounting of the advertising fund is provided to you. We have the right, but not the obligation, to cause the Advertising and Technology Fund to be incorporated or operated through an entity separate from us as we deem appropriate, and any successor entity will have all rights and duties of ours relating to the Advertising and Technology Fund. We may use outside advertising and marketing agencies to create advertising material and outside companies or consultants to create and provide services for any Technology.

Each franchised, licensed and company-owned OXI FRESH Business will be required to pay on an equivalent basis into the Advertising and Technology Fund, except that we, in our sole discretion, may designate some or all of the Advertising and Technology Fees of a particular OXI FRESH Business be paid to a Local Advertising Group instead of the Advertising and Technology Fund. Notwithstanding the

foregoing, the amount of the Advertising and Technology Fee has been adjusted periodically, and other OXI FRESH Businesses operating under an earlier form of franchise agreement may pay a different amount than that stated in this Disclosure Document.

We do not guarantee that advertising expenditures from the Advertising and Technology Fund will benefit you or any other franchisees directly or on a pro rata basis. We are not obligated to spend any amount on advertising in or for Technology related to your Protected Territory. Except as described in this Item 11, we assume no direct or indirect liability or obligation to collect amounts due to the Advertising and Technology Fund or to maintain, direct or administer the Advertising and Technology Fund. We have no fiduciary obligation to you in connection with the operation of the Advertising and Technology Fund, and we will not be liable for any act or omission with respect to the operation of the Advertising and Technology Fund or the use of the Advertising and Technology Fund that is consistent with this Agreement and is done in good faith.

Advertising and Technology Fees not spent in any fiscal year will be carried forward and spent in the ensuing fiscal year. If the advertising expenditure is more than the Advertising and Technology Fees collected during any calendar year, we may loan funds to the Advertising and Technology Fund on such terms that are no more favorable than the Advertising and Technology Fund could receive from other lending sources generally available to the Advertising and Technology Fund, and we will be reimbursed from the Advertising and Technology Fees during the same or subsequent years to the extent of such advances. None of the Advertising and Technology Fees will be used for advertising that is primarily for solicitation for the sale of franchises.

Although we intend the Advertising and Technology Fund to be of perpetual duration, we reserve the right to terminate the Advertising and Technology Fund. We will not terminate the Advertising and Technology Fund, however, until all monies in the Advertising and Technology Fund have been expended for advertising, promotional, or Technology purposes.

Currently, we do not have an advertising council that advises us on the Advertising and Technology Fund or other advertising matters, though we reserve the right to establish an advertising council in the future on the terms we establish. Once an advertising council is created, we may disband or terminate the council in our sole discretion.

We may remit a portion of Advertising and Technology Fund contributions back to one or more franchisees on any terms and conditions we determine in our sole discretion, including reimbursement of local advertising expenditures made by a franchisee. We may waive and/or compromise claims for contributions to, and/or claims against or with respect to, the Advertising and Technology Fund in our sole discretion, using the Advertising and Technology Fund to pay any of these claims. We will have sole discretion as to whether or not we take legal or other action against any franchisee who is in default of his, her or its obligations concerning the Advertising and Technology Fund (including obligations to make contributions) and whether a franchisee may be allowed to make direct advertising expenditures in place of contributions to the Advertising and Technology Fund.

During the 2019 fiscal year of the Advertising and Technology Fund, 87 percent of the Advertising and Technology Fund was spent on advertising and marketing and 13 percent was spent on Technology. None of the Advertising and Technology Fund was carried over to fiscal year 2020. No portion of the Advertising and Technology Fund was retained by our affiliates or us. No portion of the Advertising and Technology Fund was spent principally to solicit new franchise sales.

We are not obligated to spend any amount on advertising in the geographical area where you are or will be located.

Local Advertising. You are not required to spend any minimum amounts for local advertising, although we strongly recommend you conduct local advertising. Specifically, as part of our standards and specifications, we highly recommend that you solicit and seek starred Google reviews for your OXI FRESH Business, as those reviews help establish priority in search engine result rankings and help to drive sales for your business.

You must submit to us for our approval, at least 30 days prior to its implementation, a local advertising and marketing plan each year of the Franchise Agreement by which you intend to market your OXI FRESH Business during the next 12-month period. If you acquire the right to operate multiple OXI FRESH Businesses under the Franchise Agreement, you must submit and obtain our approval for, a local advertising and marketing plan for each OXI FRESH Business. You may not use any advertising and marketing plans unless they have been approved in advance in writing by us, and you must cease using those plans upon our request. Any advertising or marketing plans submitted to us which are not approved or disapproved by us within 30 days of our receipt are deemed disapproved.

You may develop advertising materials for your own use, at your own cost. You must submit to us for our approval, at least 30 days prior to usage, all advertising materials that you desire to use. You may not use any advertising materials, including materials for Focused Marketing or Broad Area Marketing, both defined below, unless they have been approved, in advance, in writing by us, and you must cease using those materials upon our request. Any advertising or marketing materials submitted to us which are not approved or disapproved by us within 30 days of our receipt are deemed disapproved.

You and other OXI FRESH franchisees may conduct Focused Marketing and Broad Area Marketing for your OXI FRESH Businesses in accordance with the terms set forth in the Franchise Agreement and the Operations Manual.

"Focused Marketing" is marketing in which a franchisee has control over the specific location of the distribution or display of the marketing. Focused Marketing typically includes direct solo mailings that a franchisee sends, door hangings that a franchisee distributes, newspaper advertising where a franchisee can limit the area in which the newspaper containing its advertisements are distributed, Internet advertising where a franchisee can limit the display of the advertising to Internet users in a certain defined area, and billboard advertising. A franchisee may not conduct Focused Marketing outside of its Protected Territory.

"Broad Area Marketing" is any other form of marketing, and includes (i) advertising performed via a mass medium, such as yellow page advertisements, radio and television commercials, and general Internet advertising not based on the location of the Internet user; and (ii) shared mailings such as Valpak, deal-of-the-day websites, other advertising websites such as Angie's List, crowdsourcing programs such as Groupon and Living Social, and other similar situations in which a third party provides advertising services based on its own predetermined territories or areas of distribution. Each area of distribution or display of Broad Area Marketing is referred to as a **"3rd Party Marketing Area."**

You may not conduct Broad Area Marketing when the 3rd Party Marketing Area is located entirely outside of your Protected Territory. However, due to the nature of Broad Area Marketing, you may not be able to limit a Broad Area Marketing program strictly to your Protected Territory. Therefore, if you desire to conduct Broad Area Marketing for your OXI FRESH Business in a 3rd Party Marketing Area that includes all or a portion of your Protected Territory and an area outside of the Protected

Territory, you must obtain our prior written consent. We may withhold our consent for any reason. Once our consent is given, we may withdraw it at any time by notice to you. Among other reasons, we may refuse to consent to such Broad Area Marketing, or withdraw our consent, if the portion of your Protected Territory in the 3rd Party Marketing Area represents a disproportionately small percentage of the entire 3rd Party Marketing Area.

If you desire to conduct Broad Area Marketing for your OXI FRESH Business in a 3rd Party Marketing Area that includes all or a portion of your Protected Territory and the protected territory of another OXI FRESH franchisee or franchisees, in addition to all other requirements related to such advertising, you must first notify the other OXI FRESH franchisee(s) and provide the other OXI FRESH franchisee(s) the opportunity to participate in the Broad Area Marketing program in exchange for paying a portion of the costs associated with the Broad Area Marketing. If you and the other applicable OXI FRESH franchisee(s) participating in the Broad Area Marketing program elect to acquire another Co-Op Line as part of your Broad Area Marketing, each of you will be responsible for paying us the portion of the Job Fee related to the Co-Op Line. See Item 6. We may require the other OXI FRESH franchisee(s), or if you receive a notice from another OXI FRESH franchisee, require you, to participate in the Broad Area Marketing. The costs of a Broad Area Marketing program may be apportioned based on the number of households in each franchisee's protected territory that is included in the applicable 3rd Party Marketing Area or on such other equitable basis as the applicable franchisees may determine, or if the applicable franchisees, including you, are unable to agree on the basis for allocation of such costs, as determined by us in our sole discretion. Any decision of ours will be final and binding on you.

If you refuse to participate in a Broad Area Marketing program after receiving notice from us that such participation is required, you will be in default of your Franchise Agreement. In that case, we may terminate your Franchise Agreement, or in lieu of us terminating your franchise, we can authorize the other OXI FRESH franchisee to proceed with its Broad Area Marketing program. In that event, any customer in your Protected Territory who retains the services of the other OXI FRESH franchisee as a result of the Broad Area Marketing program will be deemed the same as a customer resulting from a referral to or unsolicited inquiry of such other OXI FRESH franchisee, and to whom the other OXI FRESH franchisee may service. See Item 12.

To the extent that a 3rd Party Marketing Area includes the protected area of an OXI FRESH Business operated by us or we desire to engage in a Broad Area Marketing program for any OXI FRESH Business we operate, we will be bound to the policy described above.

Except as prohibited or limited by law, you must, at your sole cost, fully participate in all promotional campaigns, prize contests, customer loyalty programs, special offers, discount programs including deal-of-the-day and crowdsourcing programs, and other programs, whether international, national, regional, or local in nature, which we prescribe. In addition, at your sole cost, you must honor any coupons, customer loyalty program points or credits, gift certificates, discounts, or other authorized promotional offers that we prescribe for the franchise system, unless we agree otherwise.

Any car wrap advertising or radio or television advertising for your OXI FRESH Business must refer to the Toll-Free Number and no other telephone number. All Internet advertising for your OXI FRESH Business and, in our discretion, any Broad Area Marketing, must refer to either the Toll-Free Number or the number for a Co-Op Line. All other advertising must refer to a Co-Op Line or Market Expansion Line telephone number and not the Toll-Free Number. You may not use or advertise any phone number other than the Toll-Free Number, a Co-Op Line Number, or a Market Expansion Line number in your OXI FRESH Business. We may modify the requirements for which telephone numbers may or must be used in particular advertising situations through the Operations Manual.

You may not establish a website or advertise in any electronic media, including the Internet, without our prior written approval. In order to obtain our approval, you must submit to us all information pertaining to these advertisements. We may withhold our consent for any website or electronic advertising you create or establish for any reason. You must comply with our guidelines related to the use of any social networking or social media website, including Facebook, Twitter, LinkedIn, or MySpace.

In the event that there are any disputes between you and any other OXI FRESH franchisee or between you and us regarding any advertising issues, including whether a particular form of marketing constitutes Focused Marketing or Broad Area Marketing, or issues related to a 3rd Party Marketing Area or apportionment of any Broad Area Marketing program costs, our determination in our sole discretion will be binding upon the parties and final.

Local Advertising Groups. We may require you to join a local advertising group ("**Local Advertising Group**") that includes other franchisees in your market area. If we do, you must contribute to the Local Advertising Group in accordance with the rules and regulations of the Local Advertising Group. We may direct you or other franchisees to pay all or part of the required Advertising and Technology Fees to the Local Advertising Group. The membership, rules and regulations of a Local Advertising Group, including how advertising fees are to be spent, will be determined by the Local Advertising Group's member franchisees, but must be approved in advance by us. The Local Advertising Group must operate based on written governing documents, and those documents will be available for review by franchisees. A Local Advertising Group must provide quarterly financial reports to us, and those reports will be available for review by franchisees at our headquarters. We can require Local Advertising Groups be changed, dissolved or merged. If a Local Advertising Group is established in a market area, all company-owned OXI FRESH Businesses operating in that market area, if any, will contribute to the Local Advertising Group on an equivalent basis with franchisees.

Site Selection.

Under the Franchise Agreement, you must operate your OXI FRESH Business only at and from a single location (the "**OXI FRESH Location**"). We recommend that you launch your OXI FRESH Business from your personal residence in order to reduce your expenses. You may choose to select a commercial location for your OXI FRESH Location when your OXI FRESH Business can justify the additional expense, although we do not require that you obtain a commercial location. If your residence is used as the OXI FRESH Location, then it must meet all applicable rules and regulations to qualify as a home office for tax purposes, but our approval is not required. If your OXI FRESH Location is not in your residence, then we must review and approve your site selection and the lease or purchase agreement for your site. Our review and approval of your site selection will be based on an analysis of local competing businesses, demographics, visibility, accessibility, suitability of the premises to be leased, and other factors more fully described in the Operations Manual. If we do not approve the site selection, you must select another site. See Section 4.1 of FA. For as long as you unable to locate a site that meets our approval, you will be required to operate out of your residence.

You must have a physical location address in each of your Protected Territories that meets Google's then-current requirements for local marketing purposes in those territories. You are not required to operate your business from these physical addresses. A location obtained for marketing purposes under this paragraph does not require our approval. These requirements may be modified and expanded in the Operations Manual.

Time to Opening.

You will be deemed to have commenced operations of your OXI FRESH Business when you have completed the initial training program described below. The Franchise Agreement is typically signed during or at the completion of the initial training program. See the section titled "Training Programs" below.

The typical length of time between signing the Franchise Agreement and providing your first cleaning service to a customer through your OXI FRESH Business is estimated to be between 15 and 60 days. Factors that will affect the length of time it takes you to start providing these services include your ability to obtain permits for operating your OXI FRESH Business, your local advertising campaign, and when you or your Operations Manager can attend and complete the required initial training.

If you have not provided your first cleaning service to a customer through your OXI FRESH Business within 90 days after signing your Franchise Agreement, then we can terminate the Franchise Agreement and keep the entire Initial Franchise Fee as liquidated damages, not as a penalty.

Computer Requirements.

You must acquire and use a computer system in your OXI FRESH Business operations. We currently have no standards for your computer other than it be able to access the Internet and be able to run Microsoft Office Excel. We reserve the right to establish additional requirements for a computer system in the future and you must conform your computer system to our requirements upon 60 days' notice to you. The estimated cost of purchasing this required computer system ranges from $0, if you already have the necessary computer system, to $1,300. See Item 7.

You must accept credit and debit cards from customers of your OXI FRESH Business. You may not charge your customers any additional fees or service charges if they elect to pay by credit or debit card. The Payment Card Industry ("**PCI**") requires all companies that process, store, or transmit credit or debit card information to protect the cardholders' information by complying with the PCI Data Security Standard ("**PCI DSS**"). Therefore, you must be PCI compliant by following and adhering to the then-current PCI DSS, currently found at www.pcisecuritystandards.org, or any similar or subsequent standard for the protection of cardholder data throughout the term of your Franchise Agreement. PCI mandates the PCI DSS compliance.

You are responsible for the on-going maintenance and support for your computer system. We estimate your annual costs of maintenance and repair costs to be approximately $25 to $50 per year. Neither we nor any affiliate or third party is obligated to provide any ongoing maintenance, repairs, upgrades or updates for your computer system. Neither we nor any affiliate or third party is obligated to provide or assist you in obtaining the above items or services. We may in the future require you to obtain these items or services from us or designated suppliers.

As of the date of this Disclosure Document, we do not have independent access to your computer system; however, no contractual restrictions exist concerning our ability to require you to give us independent access in the future and we reserve the right to require you to do so.

You must also have a telephone and number for your OXI FRESH Business telephone. We recommend you have a cell phone so you can receive calls on the job.

You must comply with all terms and conditions established by us related to the use of any website that we operate or provide, including the terms of use, privacy policy, and any other legal notices available on the website. You must comply with the terms of the privacy policy as the party disclosing information in regard to any information you disclose to us or other parties through the website, and as the party collecting the information with regard to any personal information of any third parties that you receive through the website. In particular, you must comply with the privacy policy as the collecting party related to any information disclosed by the scheduling center to you which was received by the scheduling center through the Oxi Fresh Scheduling and Marketing System over the Internet.

All of the software programs and Internet applications or websites that we require you to use in your OXI FRESH Business, including but not limited to the Oxi Fresh Scheduling and Marketing System, are deemed part of the Licensed Methods under the Franchise Agreement.

Training Programs.

We provide an initial training program at no additional charge for you, or if you are an entity, a person designated by you to assume primary responsibility for the management of your OXI FRESH Business (the "**Operations Manager**"), and up to one additional employee, provided the training of the additional employee is done at the same time as your or your Operations Manager's training. We may require any other principal(s) or employee(s) of your OXI FRESH Business to attend and satisfactorily complete all initial training programs. If you are acquiring your OXI FRESH Business as the result of a transfer, you will be required to pay a transferee's training fee of $1,000. Before providing your first cleaning service to a customer through your OXI FRESH Business, you or your Operations Manager must attend and complete the initial training program to our satisfaction. It is required that you, your Operations Manager and all of your principal(s) or employee(s) participating in the initial training program sign a Confidentiality/Application Agreement prior to taking the initial training course. That Confidentiality/Application Agreement is attached to this Disclosure Document as Attachment B.

We will also provide at no additional charge an advanced training program (the "**Advanced Training Program**") for you or your Operations Manager and up to one additional employee at a later date. Franchisee or its Operations Manager must attend and satisfactorily complete the Advanced Training Program.

In addition to the initial training program and Advanced Training Program, we provide the Commercial/Pull System Training Program to franchisees who choose at their option to participate and pay us the Commercial/Pull System Training Fee of $700. If you elect to participate and pay the Commercial/Pull System Training Fee, you or your Operations Manager may participate in the training, and up to one additional employee may also participate provided the training of the additional employee is done at the same time as your or your Operations Manager's training. There is no requirement to complete the Commercial/Pull System Training Program to our satisfaction. You may elect to participate in the Commercial/Pull System Training Program when you initially acquire your franchise, or at a later date after your OXI FRESH Business is operating.

All of these training programs are conducted at our headquarters in Lakewood, Colorado, U.S.A. The initial franchise training program, the Advanced Training Program, and the Commercial/Pull System Training Program each last two business days. The actual length of your training programs and your training schedules may be adjusted by us based on your prior experience or training. Typically, the initial training program is conducted before you sign your Franchise Agreement. Following the second day of training, we may refuse to offer a franchise to you. If we do offer a franchise to you, you may accept our offer by executing our Franchise Agreement at that time, or you may reject our offer. In certain instances,

we may permit you to enter into a Deposit Agreement to reserve a Reserved Territory, as discussed in Item 5. The initial training program must be completed prior to the time that you provide your first cleaning service to a customer through your OXI FRESH Business. The Advanced Training Program will be conducted between 90 and 180 days after you sign your Franchise Agreement and commence operations. The Commercial/Pull System Training Program will be conducted following your election to participate and your payment of the Commercial/Pull System Training Fee. The Commercial/Pull System Training Program may be conducted separately or in conjunction with the initial training program based on the availability of the programs and the time that you elect to participate in the Commercial/Pull System Training Program. All of these training programs use written materials developed by us and approved vendors.

During the 12 months preceding the date of this Disclosure Document, approximately 11.1 percent of our franchisees elected to participate in the Commercial/Pull System Training Program.

You are responsible for the transportation and living expenses of you or your Operations Manager and any of your employees while attending the training programs. However, we will reimburse you for the cost of transportation and lodging related to the Advanced Training Program, up to a maximum of $350 per each of your attendees, for up to two attendees.

We do not maintain a formal training staff. The initial training program and Advanced Training Program is supervised by our President, Jonathan Barnett. Jonathan Barnett has over 13 years of experience with us and 15 years of experience in the field. The Commercial/Pull System Training Program is supervised by Cameron Welch, who has over eight years of experience with us and in the field. Other employees of ours and our suppliers or other existing franchisees may also participate in providing training. Each of our instructors has demonstrated to us satisfactory knowledge of the topics they instruct, has at least one year of experience with us and three years of experience in the fields of their topics, and are overseen and reviewed by Jonathan Barnett or Cameron Welch, as applicable.

We plan on being flexible in scheduling training to accommodate our personnel, you and your employees. There are currently no fixed (i.e. monthly or bi-monthly) training schedules for the initial training program, the Advanced Training Program, or the Commercial/Pull System Training Program, although it is anticipated that the Commercial/Pull System Training Program will be conducted once a month. As of the date of this Disclosure Document, our training programs consist of the following topics:

TRAINING PROGRAM

Initial Training Program

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-the-Job Training	Column 4 Location
Marketing	3 – 4 hrs.	0	Lakewood, Colorado
Management Duties	1 – 2 hrs.	0	Lakewood, Colorado
Cleaning Agents	1 – 2 hrs.	0	Lakewood, Colorado
Scheduling Center Operations	1 – 2 hrs.	0	Lakewood, Colorado
Machine Operations	0	5 – 8 hrs.	Lakewood, Colorado
TOTAL TRAINING	**6 – 10 hours**	**5 – 8 hours**	

Advanced Training Program

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-the-Job Training	Column 4 Location
Advanced Marketing and Operational Concepts	6 – 10 hrs.	5 – 8 hrs.	Lakewood, Colorado
TOTAL TRAINING	**6 – 10 hours**	**5 – 8 hours**	

Commercial/Pull System Training Program

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-the-Job Training	Column 4 Location
What is the Commercial/Pull System?	.5 hrs.	0	Lakewood, Colorado
Commercial/Pull System Sales – The Basics	1.25 hrs.	0	Lakewood, Colorado
Generating Sales with the Commercial/Pull System	4.25 hrs.	0	Lakewood, Colorado
Cleaning with the Commercial/Pull System	4 hrs.	0	Lakewood, Colorado
Property Manager Presentation	4 hrs.	0	Lakewood, Colorado
Commercial/Pull System Pricing and Payments	.5 hrs.	0	Lakewood, Colorado
The Inspection and Bid Process	1 hr.	0	Lakewood, Colorado
The Scheduling Software and the Commercial/Pull System	1.5 hrs.	0	Lakewood, Colorado
TOTAL TRAINING	**17 hours**	**0**	

If we determine that it is appropriate or necessary, we can require that you or your Operations Manager, as applicable, re-attend and successfully complete the initial training program or Advanced Training Program, at your sole cost and expense. If we determine that you or your Operations Manager require training in addition to the initial training program and Advanced Training Program, or if you reasonably request additional training and we in our sole discretion agree to provide it, then we will provide notice to you of the additional training, and we will conduct the additional training program at a location we designate. You will be responsible for paying the travel, lodging and other costs for you, your Operations Manager, or your other representatives, and you will be required to pay us our reasonable fees for conducting additional training. See Item 6.

We may present seminars, international, national or regional conventions, continuing development programs or other meetings. Most of these are voluntary and your attendance is not required. However, you or your Operations Manager must attend any mandatory seminars, programs or meetings we conduct, not to exceed two of these programs per year. We will give you at least 30 days' prior written notice of any seminar, convention, program or meeting that is mandatory. All mandatory training will be offered without a tuition charge; provided that we may allocate the costs incurred in holding these training programs, including facility costs, materials expenses, food and banquet expenses, and all other expenses for related activities, equally among all franchisees whose attendance is required, regardless of attendance at the meeting or convention. You will be required to pay your pro-rata share if

you attend the meeting or convention and 150 percent of your pro-rata share if you do not attend the meeting or convention. We may choose to waive all or a portion of the costs of attendance for any attendees of any convention or meeting without being obligated to waive any costs for non-attendees of the convention or meeting. You will also be responsible for all transportation and living expenses incurred while attending these programs. If you fail to attend a program at which attendance is deemed mandatory, we may, without waiving any other rights, also require you to attend and complete a make-up or alternative program at a location determined by us, and you will be responsible for the costs of the make-up program.

Operations Manual.

Our Operations Manual consists of one or more manuals, technical bulletins, videotapes, CD-ROMs or other written or media materials; and may be modified by us. At our option, we may make the Operations Manual available to you via the Internet (including through the Inner Circle portion of our website) or other electronic means. If any inconsistencies exist between the provisions in any Operations Manual we loan to you, or otherwise make available to you, and our master Operations Manual we maintain at our office, regardless of whether it is in electronic or other form, our master Operations Manual will control. We may modify the Operations Manual in our sole discretion and you must conform your OXI FRESH Business to any modification within 30 days of being notified of the change. The Operations Manual must always be followed, even as modified by us.

The Table of Contents of our Operations Manual, together with the number of pages in each section and the total number of pages, is set forth in Attachment H.

ITEM 12
TERRITORY

We recommend that your OXI FRESH Location be your personal residence, as this approach will save you a substantial amount of money. You may, however, select a commercial office building, industrial office complex or business park facility as your OXI FRESH Location. We must review and approve your selection of your OXI FRESH Location. You must also have a physical location address in each of your Protected Territories for Google local marketing purposes. See Item 11.

You will receive a designated territory as your Protected Territory that will be delineated by county, city, zip codes, street boundaries, or other designated geographical boundaries as determined by Census Bureau statistics. Your Protected Territory will contain approximately 110,000 households. You will operate from one location, your OXI FRESH Location, and you must notify us before relocating your OXI FRESH Location. We will generally approve your relocation to a new OXI FRESH Location if the new location is your new personal residence, or, otherwise, if the new location is located in your Protected Territory.

As long as you remain in compliance with your Franchise Agreement, we will not operate locations or grant franchises for an OXI FRESH Business within your Protected Territory. However, other franchisees may engage in Broad Area Marketing covering areas that may include your Protected Territory and may accept business resulting from referrals or unsolicited inquiries from customers within your Protected Territory, just as you may do outside of your Protected Territory as described below. Your rights to your Protected Territory are further subject to any N&I Account Program we may establish, as discussed below. We or an affiliated company of ours may also operate businesses or grant franchises to operate businesses, within or outside of your Protected Territory, if they are operated under a different name or if they offer different goods or services. We have no plans at this time, however, to

operate or franchise any other businesses selling goods or services similar to those you will offer. Provided you are in compliance with your Franchise Agreement, you will maintain rights to your Protected Territory, even though the population may increase. The size and your rights to your Protected Territory does not differ based upon the type of equipment packages you may acquire. Based on the above, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

You are not restricted on the number of carpet cleaning machines or upholstery cleaning machines you may operate in your Protected Territory. If you offer the grout and tile cleaning services, you must have one set of grout and tile brushes for each carpet cleaning machine you operate. If you offer the hardwood floor cleaning services, you must have a hardwood floor cleaning machine and hardwood floor cleaning agents.

If you desire a territory larger than 110,000 households, you must purchase franchises for additional OXI FRESH Businesses. See Item 5 for discussion on the Initial Franchise Fee for second and subsequent franchises.

You do not receive the automatic right under the Franchise Agreement to acquire additional franchises for OXI FRESH Businesses with Protected Territories adjacent to your Protected Territory, or any other options, rights of first refusal, or similar rights to acquire any additional franchises from us. In certain cases, in our sole discretion, potential franchisees may acquire an option to open an OXI FRESH Businesses in a defined Reserved Territory pursuant to a Deposit Agreement. The Deposit Agreement and Reserved Territories are discussed in Item 5. We may in our discretion offer you the right to acquire additional franchises in the future.

You must devote your marketing to customers solely in your Protected Territory, although you may accept business resulting from referrals or unsolicited inquiries from customers outside your Protected Territory. You may engage in Broad Area Marketing covering an area that includes but extends beyond your Protected Territory under certain conditions as stated in Item 11, above. You may not solicit customers from outside your Protected Territory without our prior written approval. If you do solicit customers outside your Protected Territory, without our prior approval, then we have the right to require you to send all of the revenues derived from those customers to the franchisee who has acquired the territory where those customers are located, or to us.

Focused Marketing and Broad Area Marketing materials distributed or displayed within a franchisee's own protected territory are not considered a solicitation with regard to customers outside of the franchisee's protected territory. If a customer located outside of the protected territory of a particular OXI FRESH franchisee is exposed to advertising by that franchisee that is distributed or displayed in that franchisee's protected territory, and that customer later retains the services of that franchisee as a result of the advertising, that franchisee may provide those services to the customer regardless of the location of the customer.

Other restrictions on your marketing activities are stated in Item 11.

If you provide services to any customer outside of your Protected Territory and within an area that is not, at the time any such services are provided, within the protected territory of another OXI FRESH Business (a "**Previously Unassigned Location**"), whether such jobs result from referrals or unsolicited inquiries, Broad Area Marketing, or otherwise, we may assign, direct, and refer that customer to an OXI FRESH Business that has as its protected territory all or part of the Previously Unassigned Location (the "**New Business**"). To enable us to ensure that future jobs scheduled for a customer in the

Previously Unassigned Location are assigned to the New Business, we may require that any Market Expansion Line of yours used in the marketing directed at customers in the Previously Unassigned Location, or otherwise provided to or used by any customer in the Previously Unassigned Location, be converted to a Co-Op Line. We may also take any other actions we deem appropriate to assign, direct, or refer these customers to the New Business, including but not limited to sending notices to the customers in the Previously Unassigned Location of the New Business or advising those customers of the New Business when they contact our scheduling center.

We solicit and reserve the right to continue to solicit businesses with locations in more than one geographic area to participate in our "**National and International Account Program**" or "**N&I Account Program**." We have the right to solicit customers within your Protected Territory, including existing customers of your OXI FRESH Business, to become customers under our N&I Account Program, and you must cooperate with us and assist us in such solicitation. Unless waived by us, you must participate in and comply with the rules of our N&I Account Program by providing services to N&I Account Program customers who have locations within your Protected Territory. The rules for the N&I Account Program may include requirements related to the types of services to be performed, additional training, the pricing for the services, the payment of any fees to us for additional training, administering the N&I Account Program, and referring customers, and a quality review by us of the services you provide. These terms may vary depending upon the N&I Account Program customer. If you fail to comply with the terms of the N&I Account Program or if we determine at any time that you have not provided a satisfactory level and quality of service to a customer under the N&I Account Program, you will be in default of your Franchise Agreement and we may appoint another franchisee of ours to perform any future services for that customer's locations within your Protected Territory.

We further have and retain the right under the Franchise Agreement to: (a) develop and establish other franchise systems for different products or services utilizing proprietary marks not now or in the future designated as part of the Licensed Methods, and to grant licenses for these other franchised or licensed systems without providing you any right in those systems; (b) open, operate, sell, and/or manage OXI FRESH Businesses outside the Protected Territory; (c) use or license others to use the Marks and Licensed Methods for the operation of OXI FRESH Businesses at any location other than in the Protected Territory; (d) use the Marks and the Licensed Methods in connection with the provision of other services and products or in alternative channels of distribution (including, but not limited to, Internet, catalog, mail order, telemarketing or other direct marketing sales), without regard to location; (e) use the Marks and the Licensed Methods in connection with licensing to others to provide, or the provision by us directly of, services and products to commercial customers without regard to location in situations in which we determine in our sole discretion that you will not be permitted by the commercial customer to provide the services, or if you are unable to adequately provide services to the commercial customers, including in cases where the commercial customer requires union labor which you are unable to provide or where the size or other aspects of the work make it unlikely in our determination that you will be able to provide a satisfactory level and quality of service; and (f) use and license the use of other proprietary marks or methods of doing business which are not the same as, or confusingly similar to, the Marks or Licensed Methods, whether in alternative channels of distribution (including, but not limited to, Internet, catalog, mail order, telemarketing or other direct marketing sales), at any location, including within the Protected Territory, which may be similar to or different from OXI FRESH Businesses. We retain and may exercise these rights without any compensation to you.

We can acquire or be acquired by, or engage in any other transaction with, other businesses (competitive or not) with companies or units located anywhere, including arrangements where other units are (or are not) converted to the Licensed Methods or other format, or in which company-owned, franchised or other businesses (including your OXI FRESH Business) are (or are not) converted to

another format (whether competitive or not), or both, and is maintained as the same concept, or as a separate concept in your Protected Territory. You must fully cooperate with any of these conversions, at your sole expense.

Your rights to your Protected Territory or the Franchise Agreement's continuation are not dependent upon you achieving any sales quotas, market penetrations or other contingencies.

ITEM 13
TRADEMARKS

Our parent company, Barnett Enterprises Corp. ("**BEC**"), has registered the following Marks with the United States Patent and Trademark Office on the Principal Register:

Mark	Registration Number	Date of Registration
OXI FRESH	3,850,030	September 21, 2010
OXI FRESH CARPET CLEANING	3,305,201	October 9, 2007
OXI FRESH CARPET CLEANING with design	3,305,202	October 9, 2007
THE WAY MOTHER NATURE CLEANS	3,273,294	August 7, 2007
THE WORLD'S GREENEST CARPET CLEANER	4,727,525	April 28, 2015

BEC has filed all required affidavits related to the registration of these Marks. The registrations for the above listed Marks have been renewed as necessary to keep these registrations in effect. BEC intends to continue to renew the registrations of these Marks at the appropriate time.

BEC has granted us, in a License Agreement, dated effective September 27, 2006, and renewed on September 27, 2016, an exclusive, royalty-free license to use and to permit our franchisees to use, the Marks anywhere in the world. The renewed license is for 10 years commencing September 27, 2016, but it will automatically renew for additional 10-year periods if we do not materially breach the License Agreement by engaging in any activity that damages the Marks or the goodwill of BEC. If the license is terminated, BEC has agreed to license the use of the Marks directly to our franchisees until each franchise agreement expires or is otherwise terminated.

In addition to those Marks listed above, we claim common law service or trademark rights to a number of other words, phrases, or designs that you may use in your OXI FRESH Business. The following statements apply solely to any unregistered trademarks and service marks: We do not have a federal registration for these principal trademarks. Therefore these trademarks do not have as many legal benefits and rights as federally registered trademarks. If our right to use these trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Under the Franchise Agreement, we grant you the right and license to use the Marks and the Licensed Methods solely in connection with your OXI FRESH Business. You may use our Marks only in the manner authorized and permitted by us and you may not directly or indirectly contest the ownership or rights of BEC or us in the Marks. You cannot use the name "Oxi Fresh" as part of your business name. You cannot use our Marks as part of an electronic address, domain name or on any websites on the Internet, or with modifying words, designs or symbols, except as we may license to you, without our prior written consent, which may be withheld for any reason. You may not use our Marks with an unauthorized product or service, or in a manner not authorized in writing by us. You must modify or discontinue your use of our Marks if we require the modification or discontinuance of them, at your expense.

There are presently no effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeals Board, the trademark administrator of any state, or any court that apply to the Marks.

We have entered into a Settlement Agreement and Release of All Claims dated May 8, 2007 ("**Settlement Agreement**") to settle a lawsuit with Oxymagic Franchise Development Corp. ("**Oxymagic**"). The other parties to the Settlement Agreement were the principals and owners of Oxymagic, David Iseley and Kim Iseley, our President, Jonathan Barnett, and our affiliated companies Oxi Fresh of Denver, BEC, and Crossover International, Inc. Under the terms of the Settlement Agreement, Oxymagic and we agreed that both parties would compete in the marketplace under our respective names and marks, although we agreed not to solicit any of Oxymagic's current franchisees to become our franchisees, and for as long as Oxymagic continues operating, not to franchise or operate a carpet cleaning business in select territories using any mark containing the characters "Oxi" or "Oxy." We also agreed not to use the same equipment or chemical supplier of Oxymagic and not use the term "Euro" in connection with our business for as long as Oxymagic continues operating. The Settlement Agreement can generally only be modified upon the written agreement of all of the parties.

Our logo is part of our Marks.

The Franchise Agreement does not contain any provisions under which we are required to defend or indemnify you against any claims of infringement or unfair competition arising out of your use of the Marks. If litigation involving the Marks is instituted or threatened against you, the Franchise Agreement requires you to notify us promptly and cooperate fully with us in defending or settling the litigation.

We have no actual knowledge of either superior prior rights or infringing uses that could materially affect your use of the Marks.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents Rights and Copyrights.

No patents or pending patent applications are material to the franchise.

We claim a copyright and treat the information in the Operations Manual as confidential trade secrets. We also claim a copyright in the software used in our Oxi Fresh Scheduling and Marketing System and our other written materials. You are permitted to use the Operations Manual, the Oxi Fresh Scheduling and Marketing System, and our written materials as part of your OXI FRESH Business. We have not registered any of these materials with the U.S. Copyright Office.

Operations Manual and Other Confidential Information.

Our Operations Manual and related materials are proprietary and confidential. They are our property to be used by you only as described in and during the term of the Franchise Agreement. The Operations Manual and other materials that contain our Marks or are otherwise proprietary to us must be returned to us if your Franchise Agreement expires or is terminated for any reason.

The Franchise Agreement requires you to maintain all of our Confidential Information as confidential both during and after the term of the Franchise Agreement. "**Confidential Information**"

includes all information, data, techniques and know-how designated or treated by us as confidential and includes the Operations Manual. You may not at any time disclose, copy or use any Confidential Information except as specifically authorized by us. Under the Franchise Agreement, you agree that all information, data, techniques and know-how developed or assembled by you or your employees or agents during the term of the Agreement and pertaining to the Licensed Methods will be deemed a part of the Confidential Information protected under the Franchise Agreement. You may not use our Confidential Information in any unauthorized manner and you must take reasonable steps to prevent their disclosure to others. We may, in our discretion, require you and each of your officers, partners, directors, beneficial owners and employees who become aware of or have access to our confidential information, and their immediate family members, generally meaning their spouses, parents, siblings, and adult children, to execute our Nondisclosure and Noncompetition Agreement in the form attached to this Disclosure Document as Attachment C. You must provide us with a copy of each Nondisclosure and Noncompetition Agreement at the time it is signed and thereafter upon our request. We will require you, your Operations Manager and each of your officers, partners, directors, beneficial owners and employees who participate in the initial training program to execute our Confidentiality/Application Agreement in the form attached to this Disclosure Document as Attachment B, prior to any participation in the program.

Our right to use or license the copyrighted and other proprietary and confidential materials is not materially limited by any agreement or known infringing use. There is no determination of any administrative office or any court regarding these materials.

ITEM 15
OBLIGATIONS TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

You are not required to personally participate in the direct operation of your OXI FRESH Business. If you do not personally participate in the direct operation of your OXI FRESH Business on a daily basis, you must appoint an Operations Manager, who must participate in the direct operation of your OXI FRESH Business on a daily basis. If you are a business entity, your designated Operations Manager does not need to have an ownership interest in you.

You or your Operations Manager must successfully complete the initial training program and Advanced Training Program required by us. You may have one additional person attend the initial training program and Advanced Training Program with you or your Operations Manager. Any replacements or subsequent Operations Managers must be trained fully according to our standards by either you or us. If we provide this additional training, we may charge a fee to you. See Items 6 and 11 of this Disclosure Document.

You are responsible for recruiting, appointing, hiring, firing, and supervising your employees, independent agents, Operations Managers, and other representatives. You are solely responsible for implementing training and other programs for your employees and agents related to the legal, safe, and proper performance of their work, regardless of the fact that we may provide advice, suggestions, and certain training programs. The advice, suggestions, and training we provide are to protect our brand and the Marks and not to control the day-to-day operation of your OXI FRESH Business. You will have sole authority and control over the day-to-day operations of the OXI FRESH Business and its employees and other representatives.

If you are an entity, each individual who holds an ownership interest in you must personally guarantee all of your obligations under the Franchise Agreement. (See Exhibit II of the Franchise Agreement for the form of Guaranty and Assumption of Franchisee's Obligations.)

We may require you to cause each of your Operations Managers, officers, directors, partners or shareholders, employees, independent agents, and any member of your or their immediate families, to execute our standard Nondisclosure and Noncompetition Agreement, a copy of which is attached to this Disclosure Document as Attachment C. We will require you to cause each of your Operations Managers, officers, directors, partners or shareholders, and any member of your or their immediate families, who participates in the initial training program to execute the Confidentiality/Application Agreement attached as Attachment B, prior to any participation in the program. If we require any immediate family member to execute our standard Nondisclosure and Noncompetition Agreement or Confidentiality/Application Agreement after your execution of the Franchise Agreement, you must use your best efforts to cause the execution of that agreement.

Other than the requirements above, we make no recommendations and have no requirements regarding written employment or other written agreements between you and your employees.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must operate your OXI FRESH Business in strict conformity with all prescribed methods, procedures, policies, standards, and specifications in the Licensed Methods, as described in the Operations Manual and in other writings provided to you by us. You must use your OXI FRESH Location only for the operation of the OXI FRESH Business (except if it is also your personal residence) and you may not operate any other business at or from your OXI FRESH Location without our express prior written consent, which may be withheld for any purpose.

You may offer and sell only those goods and services that we approve. We maintain a written list of approved goods and services in the Operations Manual, which we may change (see Item 8 in this Disclosure Document).

You must offer all goods and services that we designate as required for all franchises. In addition, we may require you to comply with other requirements (such as state or local licenses, training, marketing, insurance) before we will allow you to offer certain optional services.

You must purchase on an ongoing basis a minimum volume of certain necessary equipment, inventory, materials and related items, forms, and other supplies as we may designate from us or our designated suppliers, to comply with the Minimum Purchase Obligations described in Item 8.

We reserve the right to designate additional required or optional services in the future and to withdraw any of our previous approvals. In that case, you must comply with the new requirements.

We may impose restrictions regarding your access to, and the services and pricing for, customers with multiple business locations under our N&I Account Program described in Item 12 above.

See Items 8, 9, 11 and 12 for more information about your obligations and restrictions.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTIONS

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 or Other Agreement	Summary
a. Length of the Franchise Term	Franchise Agreement ("**FA**") Section 3.1; Deposit Agreement ("**DA**") Section 2	7 years; A reservation of a Reserved Territory under the Deposit Agreement lasts for 90 days
b. Renewal or extension of the term	FA Section 3.3	Successive term of 7 years each, subject to certain terms
c. Requirements for you to renew or extend	FA Section 3.3	Not less than 120 days nor more than one year written notice; compliance with Franchise Agreement; satisfaction of all monetary obligations owed us; execution of our current form of Franchise Agreement (which may contain terms and conditions materially different from your original Franchise Agreement); meet current qualification and training requirements; modify OXI FRESH Business and operations to conform with current Operations Manual; execution of a general release; pay successor franchise fee; others
d. Termination by you	FA Section 18.4	Upon our breach the Franchise Agreement, if you provide us with written notice within 30 days of the breach and a reasonable opportunity to cure of not less than 90 days
e. Termination by us without cause	FA Section 18.3	We can terminate at our option if there is a force majeure event that prevents us from performing our obligations under the Franchise Agreement and continues for longer than six months
f. Termination by us with cause	FA Sections 18.1 and 18.2	We can terminate if you commit any one of several listed violations
g. "Cause" defined-curable defaults	FA Section 18.2	You have 7 days to cure the filing of a legal action in violation of the dispute resolution terms in the Franchise Agreement; 10 days to cure a failure to make payments, misuse of Marks, and failure to submit reports or other records; and 30 days to cure other defaults under Franchise Agreement not listed as non-curable (subject to state law). If we provide you with a notice of default, we and our affiliates may suspend services to you until each default is cured.

Provision	Section in Franchise or Other Agreement	Summary
h. "Cause" defined-non-curable defaults	FA Section 18.1; DA Sections 1 through 4	Non-curable defaults under the Franchise Agreement include unauthorized disclosure of Operations Manual or other confidential information; abandonment of OXI FRESH Business; 3 notices of default during the term even if cured; insolvency or bankruptcy; criminal convictions; unauthorized transfer; material misrepresentation on initial application; failure to complete training; condemnation or loss of OXI FRESH Location if not relocated and reopened within 60 days; contesting our ownership in Marks; improper business practices; sexual harassment or discrimination; Acts of Deception (as defined in Section 16.5 of the Franchise Agreement); violations of non-compete or other in-term restrictive covenants; breach of other agreement between us or any of our affiliates and you or any of your affiliates; guaranty becomes unenforceable or inadequate; others (subject to state law); Non-curable defaults under the Deposit Agreement include material misrepresentation on initial application; breaches of related agreements; others (subject to state law)
i. Your obligations on termination/non-renewal	FA Sections 18.5, 18.7 through 18.10	Includes payment of money owed to us; payment of an amount equal to the Royalty Fees due over the shorter of three years or the remaining term under the Franchise Agreement, if terminated due to your default; discontinue using Marks; return Operations Manual and other materials; transfer phone numbers and listings; shut down websites and transfer web addresses; cease operating OXI FRESH Business; amend or cancel assumed names; use no marks likely to cause confusion; offer us the option to purchase your inventory and equipment and assume your lease; modify premises; abide by all post-termination covenants (see row "r" also); others. We have the right to take these actions if you fail to do so. Any loans to you from us become immediately due.
j. Assignment of contract by us	FA Section 17.1	No restriction on right to transfer
k. "Transfer" by you – defined	FA Section 17.2 DA Section 9	Includes assignment of Franchise Agreement, transfer of an ownership interest in business entity, transfer of substantial portion of assets of business, transfers by operation of law
l. Our approval of transfer by you	FA Sections 17.3; DA Section 9	We have the right to approve all transfers of your Franchise Agreement and Deposit Agreement

Provision	Section in Franchise or Other Agreement	Summary
m. Conditions for our approval of transfer	FA Sections 17.3 and 17.4	Notice; comply with Franchise Agreement; payment of all monetary obligations owed us; transferee signs current form of Franchise Agreement (which may contain terms and conditions materially different from the original Franchise Agreement); transfer fee or resale assistance fee paid; general release signed; transferee purchases assets and assumes liabilities of business including outstanding promotional offers; training fee paid; transferee completes initial training program; transferee meets current standards; purchase agreement approved; others (see row "r" also)
n. Our right of first refusal to acquire your business	FA Section 17.6	We have the option to match any offer for your OXI FRESH Business
o. Our option to purchase your business	FA Sections 18.8 and 18.9	We have the option to purchase the assets and assume or enter into a lease for any non-residential premises of your OXI FRESH Business upon termination or expiration
p. Your death or disability	FA Section 17.5	Franchise must be assigned (see rows "l" and "m" above) to a third party approved by us within 90 days. In our sole judgment we may operate the business as long as we deem necessary or practical.
q. Non-competition covenants during the term of the franchise	FA Section 20.1	Prohibited from owning, operating or performing services for a competing business
r. Non-competition covenants after the franchise is terminated or expires	FA Section 20.2; DA Section 7	No involvement in a competitive business for 2 years within a 20 mile radius of your Protected Territory or the Protected Territory of any other OXI FRESH Business
s. Modification of the agreement	FA Section 23.1; DA Section 9	The Franchise Agreement may be modified by a writing signed by both parties or, at our option, upon approval of 75% of our franchisees affected by the modification. The Deposit Agreement may be modified only by a writing signed by both parties. The Operations Manual may be modified unilaterally by us.
t. Integration/ merger clause	FA Section 23.2; DA Section 9	Only the terms of the Franchise Agreement and Deposit Agreement are binding (subject to state law). Any representations or promises outside of this Disclosure Document, the Franchise Agreement, and the Deposit Agreement may not be enforceable. Nothing in the Franchise Agreement or Deposit Agreement is intended to disclaim any representations made by us in this Disclosure Document.
u. Disputes resolution by arbitration or mediation	FA Section 22.1; DA Section 5	Except for certain claims, all disputes must be arbitrated in Denver, Colorado (subject to state laws). If a claim can be brought in court, both you and we agree to waive our rights to a jury trial.

Provision	Section in Franchise or Other Agreement	Summary
v. Choice of forum	FA Sections 22.1 and 22.5; DA Section 5	Colorado (subject to state laws)
w. Choice of law	FA Section 22.5; DA Section 5	Federal and Colorado law (subject to state laws). The Colorado Consumer Protection Act does not apply.

Certain states have statutes that may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise. Certain states may also have court decisions that may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise. See the State Specific Addenda, which is attached to this Disclosure Document as Attachment M.

ITEM 18
PUBLIC FIGURES

We do not use any public figures to promote our franchise. You may use the name of a public figure or celebrity in your promotional efforts or advertising only with our approval.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets in the State of California. 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 our management by contacting Jonathan Barnett at 143 Union Boulevard, Suite 825, Lakewood, Colorado, U.S.A. 80228 and 1-877-OXIFRESH, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Item 20 Table No. 1
Systemwide Outlet Summary
For Years 2017 to 2019[1][2]

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	2017	308	339	+31
	2018	339	368	+29
	2019	368	405	+37
Company-Owned	2017	10	10	0
	2018	10	8	-2
	2019	8	6	-2
Total Outlets	2017	318	349	+31
	2018	349	376	+27
	2019	376	411	+35

(1) Each year period begins on January 1 and ends on December 31.

(2) The currently operating company-owned outlets are owned and operated by our affiliate Oxi Fresh of Denver and individuals identified as our officers in Item 2 (or entities owned by those individuals).

Item 20 Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2016 to 2018[1]

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Alaska	2017	1
	2018	0
	2019	0
Arkansas	2017	0
	2018	3
	2019	0
Arizona	2017	15
	2018	0
	2019	6
California	2017	2
	2018	1
	2019	10[3]
Colorado	2017	0
	2018	5[2]
	2019	0

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Florida	2017	2
	2018	2
	2019	2
Georgia	2017	1
	2018	1
	2019	3
Illinois	2017	1
	2018	10
	2019	0
Indiana	2017	1
	2018	0
	2019	0
Kentucky	2017	1
	2018	0
	2019	1
Maryland	2017	0
	2018	0
	2019	1
Minnesota	2017	1
	2018	0
	2019	1
Mississippi	2017	0
	2018	2
	2019	0
Montana	2017	0
	2018	1(2)
	2019	1(2)
New Mexico	2017	2
	2018	0
	2019	0
North Carolina	2017	2
	2018	0
	2019	0
North Dakota	2017	2(2)
	2018	0
	2019	0
Ohio	2017	1
	2018	1(2)
	2019	1(2)
Pennsylvania	2017	0
	2018	1
	2019	0
South Dakota	2017	1
	2018	0
	2019	0

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Tennessee	2017	1
	2018	4
	2019	1
Texas	2017	4
	2018	3
	2019	11[4]
Virginia	2017	0
	2018	2
	2019	0
Washington	2017	0
	2018	1
	2019	0
Wisconsin	2017	0
	2018	1
	2019	1
Total	**2017**	**38**
	2018	**38**
	2019	**39**

(1) Each year period begins on January 1 and ends on December 31.

(2) These transfers include transfers of outlets between individuals identified as our officers in Item 2 (or entities owned by those individuals) and franchisees, which are also reflected, as applicable, in Columns 4 and 7 to Table No. 3 below as "Outlets Opened" or outlets "Reacquired by Franchisor," and in Columns 5 and 7 of Table No. 4 below as "Outlets Reacquired from Franchisee" and "Outlets Sold to Franchisee."

(3) One franchisee who operated multiple OXI FRESH Businesses in California transferred the rights to one of its OXI FRESH Businesses in 2019, but the franchisee continues to operate another OXI FRESH Business. This transfer did not result in any franchisee leaving the franchise system in 2019.

(4) One franchisee who operated multiple OXI FRESH Businesses in Texas transferred the rights to two of its OXI FRESH Businesses in 2019, but the franchisee continues to operate four other OXI FRESH Businesses. This transfer did not result in any franchisee leaving the franchise system in 2019.

Item 20 Table No. 3
Status of Franchised Outlets
For Years 2017 to 2019 [1]

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Termina-tions	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at the End of the Year
Alabama	2017	0	1	0	0	0	0	1
	2018	1	0	1	0	0	0	0
	2019	0	1	0	0	0	0	1
Alaska	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Arizona	2017	17	0	0	0	0	0	17
	2018	17	0	0	0	0	0	17
	2019	17	0	0	0	0	0	17
Arkansas	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
California	2017	21	8	2	2	0	0	25
	2018	25	4	0	0	0	0	29
	2019	29	5	1	0	0	0	33
Colorado	2017	7	1[2]	0	0	0	0	8
	2018	8	2	0	0	0	0	10
	2019	10	0	0	0	0	0	10
Connecticut	2017	1	4	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	2	0	0	0	3
Delaware	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
District of Columbia	2017	1	0	0	0	0	0	1
	2018	1	1	0	0	0	0	2
	2019	2	0	0	0	0	0	2
Florida	2017	15	6	2	0	0	0	19
	2018	19	9	0	0	0	0	28
	2019	28	1	2	0	0	0	27
Georgia	2017	7	2	0	0	0	0	9
	2018	9	1	1	0	0	0	9
	2019	9	0	1	0	0	0	8
Hawaii	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	3	0	0	0	0
Idaho	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Illinois	2017	19	1	1	0	0	0	19
	2018	19	0	0	0	0	0	19
	2019	19	1	1	0	0	0	19

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Termina-tions	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at the End of the Year
Indiana	2017	4	0	0	0	0	0	4
	2018	4	1	0	0	0	0	5
	2019	5	0	1	0	0	0	4
Iowa	2017	4	0	4	0	0	0	0
	2018	0	2	0	0	0	0	2
	2019	2	1	1	0	0	0	2
Kansas	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
Kentucky	2017	2	0	0	0	0	0	2
	2018	2	1	0	0	0	0	3
	2019	3	2	0	0	0	0	5
Louisiana	2017	5	1	1	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	1	0	0	0	0	6
Maine	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Maryland	2017	9	2	0	0	0	0	11
	2018	11	3	0	0	0	0	14
	2019	14	1	0	0	0	0	15
Massachusetts	2017	4	0	0	0	0	0	4
	2018	4	1	0	0	0	0	5
	2019	5	0	3	0	0	0	2
Michigan	2017	7	0	0	0	0	0	7
	2018	7	0	0	0	0	0	7
	2019	7	2	0	0	0	0	9
Minnesota	2017	12	0	0	0	0	0	12
	2018	12	0	0	0	0	0	12
	2019	12	1	7	0	0	0	6
Mississippi	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	3	0	0	0	2
Missouri	2017	7	0	0	0	0	0	7
	2018	7	0	0	1	0	0	6
	2019	6	5	0	0	0	0	11
Montana	2017	3	0	0	0	0	0	3
	2018	3	0	0	1	1[3]	0	1
	2019	1	1[3]	0	1	0	0	1
Nebraska	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Nevada	2017	2	1	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
New Hampshire	2017	2	0	1	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Termina-tions	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at the End of the Year
New Jersey	2017	5	2	1	0	0	0	6
	2018	6	2	0	0	0	0	8
	2019	8	2	0	0	0	0	10
New Mexico	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	1	0	0	2
New York	2017	11	1	0	0	0	0	12
	2018	12	2	4	0	0	0	10
	2019	10	20	1	0	0	0	29
North Carolina	2017	13	2	2	0	0	0	13
	2018	13	3	1	0	0	0	15
	2019	15	2	1	0	0	0	16
North Dakota	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
Ohio	2017	5	0	1	0	0	0	4
	2018	4	2[3]	0	0	0	0	6
	2019	6	1[3]	0	0	0	0	7
Oregon	2017	3	1	0	0	0	0	4
	2018	4	0	2	0	0	0	2
	2019	2	0	0	0	0	0	2
Pennsylvania	2017	16	1	5	1	0	0	11
	2018	11	3	0	0	0	0	14
	2019	14	1	0	0	0	0	15
Rhode Island	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
South Carolina	2017	4	1	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	4	0	0	0	0	9
South Dakota	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Tennessee	2017	8	2	0	0	0	0	10
	2018	10	1	0	0	0	0	11
	2019	11	2	0	0	0	0	13
Texas	2017	24	10	0	0	0	0	34
	2018	34	3	1	0	0	1	35
	2019	35	5	0	0	0	0	40
Utah	2017	2	2	0	0	0	0	4
	2018	4	0	1	0	0	0	3
	2019	3	2	0	0	0	0	5
Virginia	2017	14	2	1	0	0	0	15
	2018	15	1	0	0	0	0	16
	2019	16	0	0	0	0	0	16

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Termina-tions	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at the End of the Year
Washington	2017	9	2	1	0	0	0	10
	2018	10	1	0	0	0	0	11
	2019	11	4	0	0	0	0	15
West Virginia	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Wisconsin	2017	7	0	0	0	0	0	7
	2018	7	0	0	0	0	0	7
	2019	7	1[4]	0	0	0	0	8
Wyoming	2017	0	1	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Canada: Alberta	2017	0	2	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
Canada: British Columbia	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Canada: Ontario	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
Totals	**2017**	**308**	**56**	**22**	**3**	**0**	**0**	**339**
	2018	**339**	**44**	**11**	**2**	**1**	**1**	**368**
	2019	**368**	**66**	**27**	**2**	**0**	**0**	**405**

(1) Each year period begins on January 1 and ends on December 31.

(2) Based on changes in the demarcation of Protected Territories over time, one OXI FRESH Business that had been operated in Colorado was treated as two separate franchises beginning in 2017. The second franchise is accounted for in this table as an outlet opened during 2017.

(3) These outlets listed in Columns 4 as "Outlets Opened" and Column 7 as "Reacquired by Franchisor" include outlets transferred to or from individuals identified as our officers in Item 2 or entities owned by those individuals, which are treated as company-owned outlets in Table No. 4 below. They are also listed as transfers in Table No. 2 above.

(4) In 2019, one OXI FRESH Business was transferred to a franchisee by an individual identified in Item 2 and included as a company-owned outlet in Table No. 4 below and at the same time relocated from Ohio to Wisconsin. This acquisition and relocation is accounted for in this table under the column "Outlets Opened" for Wisconsin and in Table No. 4 below under the column "Outlets Sold to Franchisee" for Ohio. It is also listed in Table No. 2 as a transfer in Ohio.

Item 20 Table No. 4
Status of Company-Owned Outlets
For Years 2017 to 2019[1][2]

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Colorado	2017	8	0	0	0	0	8
	2018	8	0	0	0	2[3]	6
	2019	6	0	0	0	0	6
Montana	2017	0	0	0	0	0	0
	2018	0	0	1[3]	0	0	1
	2019	1	0	0	0	1[3]	0
Ohio	2017	2	0	0	0	0	2
	2018	2	0	0	0	1[3]	1
	2019	1	0	0	0	1[3]	0
Totals	**2017**	**10**	**0**	**0**	**0**	**0**	**10**
	2018	**10**	**0**	**1**	**0**	**3**	**8**
	2019	**8**	**0**	**0**	**0**	**2**	**6**

(1) Each year period begins on January 1 and ends on December 31.

(2) The currently operating company-owned outlets are owned and operated by our affiliate Oxi Fresh of Denver and individuals identified as our officers in Item 2 (or entities owned by those individuals).

(3) These outlets are also listed as transfers in Table No. 2 above.

Item 20 Table No. 5
Projected Openings As of December 31, 2019

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
Alabama	0	1	0
Arkansas	0	1	0
California	0	2	0
Connecticut	0	2	0
Delaware	0	1	0
Florida	0	2	0
Georgia	0	2	0
Hawaii	0	2	0
Illinois	0	1	0
Indiana	0	1	0
Iowa	0	2	0
Kansas	0	1	0
Kentucky	0	2	0
Louisiana	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
Maine	0	2	0
Maryland	0	1	0
Massachusetts	0	2	0
Michigan	0	2	0
Minnesota	0	1	0
Mississippi	0	2	0
Missouri	0	1	0
New Hampshire	0	2	0
New Jersey	0	1	0
New Mexico	0	2	0
New York	0	1	0
North Carolina	0	1	0
Ohio	0	2	0
Oregon	0	1	0
Pennsylvania	0	1	0
Tennessee	0	2	0
Texas	0	1	0
Utah	0	1	0
Washington	0	2	0
Wisconsin	0	1	0
Total	**0**	**50**	**0**

A list of the names of all franchisees and the address and business telephone numbers of their outlets is provided on Attachment I to this Disclosure Document. A list of the name and last known city, state and telephone number of each franchisee who has had an OXI FRESH Business terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the date of this Disclosure Document, is provided on Attachment J to this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Some franchisees have signed confidentiality clauses during the last three fiscal years. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Oxi Fresh system. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

We have created and sponsor a franchisee advisory council, a trademark-specific franchisee association within the Oxi Fresh system. The information regarding the franchisee advisory council is as follows:

Franchisee Advisory Council
143 Union Boulevard, Suite 825
Lakewood, Colorado 80228
1-877-OXIFRESH

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Attachment K are our audited financial statements as of December 31, 2019, 2018, and 2017. Our fiscal year end is December 31st.

ITEM 22
CONTRACTS

Attached are copies of the following agreements relating to the offer of the franchise:

Attachment A	Franchise Agreement (and attachments)
Attachment B	Confidentiality/Application Agreement
Attachment C	Nondisclosure and Noncompetition Agreement
Attachment D	Statement of Prospective Franchisee
Attachment E	Territory Reservation Deposit Agreement
Attachment F	Form of Successor Franchise Rider to Franchise Agreement

ITEM 23
RECEIPTS

The last two pages of this Disclosure Document are receipt pages. Please sign and date each of them as of the date you received this Disclosure Document, detach the second receipt page, and promptly return it to us as specified on that page.

ATTACHMENT A
TO FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

OXI FRESH FRANCHISING CO., INC.

FRANCHISE AGREEMENT

Franchisee: _____
Date: _____
Protected Territory: _____

OXI FRESH FRANCHISING CO., INC.
FRANCHISE AGREEMENT
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II. GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS
III. STATEMENT OF OWNERSHIP
IV. AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS
V. CREDIT CARD AUTHORIZATION
VI. RIDERS TO FRANCHISE AGREEMENT FOR SPECIFIC COUNTRIES, STATES, AND PROVINCES

OXI FRESH®
FRANCHISE AGREEMENT

THIS AGREEMENT ("**Agreement**") is made effective as of the date set forth on the signature page hereof, between **OXI FRESH FRANCHISING CO., INC.**, a Colorado corporation ("**OFFC**"), and the franchisee named on the signature page of this Agreement ("**Franchisee**"), who, on the basis of the following understandings and in consideration of the following promises, agree as follows:

1. BACKGROUND AND PURPOSE

1.1. Background.

OFFC has developed and owns a unique system for establishing, operating and marketing businesses ("**OXI FRESH Businesses**") specializing in the cleaning of commercial and residential carpet, rugs, and upholstery, but which may also offer the cleaning of tile and grout floors, hardwood floors, and other ancillary services (the "**Services**"), and sales of approved supplies, materials, equipment and other products (the "**Products**"), under the marks "OXI FRESH®," "OXI FRESH CARPET CLEANING®," and related service marks, trademarks, logos and trade names (collectively the "**Marks**") and using OFFC's unique system for operating the businesses and related licensed methods of doing business (the "**Licensed Methods**").

1.2. System.

OFFC grants the right and license to qualified individuals and entities to use the Marks and Licensed Methods to establish and operate OXI FRESH Businesses under its franchise system ("**System**").

1.3. Purpose.

Franchisee desires to establish an OXI FRESH Business and OFFC desires to grant Franchisee the right and license to operate OXI FRESH Business under the terms and conditions contained in this Agreement.

2. GRANT OF FRANCHISE

2.1. Grant of Franchise.

OFFC grants to Franchisee, and Franchisee accepts from OFFC, the number of franchises ("**Franchises**," or individually a "**Franchise**") as set forth on the Addendum to Franchise Agreement, attached hereto as Exhibit I and incorporated herein by reference (the "**Addendum**"), for (i) the right and license to open and operate an OXI FRESH Business, and (ii) the license to use the Marks solely in connection with the establishment and operation of an OXI FRESH Business within a Protected Territory(ies) (as defined in **Section 4.2** below). If Franchisee is granted multiple Franchises for multiple Protected Territories, as indicated on the Addendum, the terms "**OXI FRESH Business**," "**Franchise**" and "**Protected Territory**" as used herein shall be deemed to refer collectively to all of Franchisee's OXI FRESH Businesses, Franchises and Protected Territories, except in those cases where multiple OXI FRESH Businesses, Franchises or Protected Territories are specifically addressed.

2.2. Scope of Franchise Operations.

Franchisee shall use its best efforts to promote the OXI FRESH Business. Franchisee agrees to use the Marks and Licensed Methods, as they may be changed, improved and further developed by OFFC from time to time, only in accordance with the terms and conditions of this Agreement, including the Addendum and the other Exhibits to this Agreement, which are attached to, and incorporated into, this Agreement.

3. TERM AND EXPIRATION

3.1. Term.

The term of this Agreement is for a period of seven years from the date this Agreement is executed by OFFC, unless sooner terminated as provided herein. Franchisee agrees to operate the OXI FRESH Business for the entire term of this Agreement.

3.2. Continuation.

If Franchisee continues to operate the OXI FRESH Business with OFFC's express or implied consent following the expiration or termination of this Agreement, the continuation will be on a month-to-month extension of this Agreement. This Agreement will then be terminable by either party on 30 days' written notice. Otherwise, all provisions of this Agreement will apply while Franchisee continues to operate the OXI FRESH Business.

3.3. Successor Franchise.

Provided Franchisee is not in default hereunder either at the time of its notice of exercise of successor franchise rights or at the time of the grant of the successor franchise rights, at the end of the term of this Agreement Franchisee will have the option to obtain a successor franchise for this Franchise, or for any individual Franchise if Franchisee is granted multiple Franchises under this Agreement, for additional terms of seven years each by acquiring successor franchise rights, provided that Franchisee has met all of the following requirements:

a. Franchisee executes OFFC's then current form of Franchise Agreement (with appropriate modifications to reflect the fact that the agreement relates to the grant of a renewal franchise), which may have terms substantially different than those set forth in this Agreement, within 30 days after Franchisee's receipt of such Franchise Agreement from OFFC. Specifically but without limitation, the new Franchise Agreement may include modified territorial rights based on OFFC's then-current territory size and demarcation standards and additional and/or different fees. If Franchisee is exercising the successor franchise rights of less than all of the Franchises granted under this Agreement, the Addendum to the new Franchise Agreement executed by Franchisee shall reflect the reduction of the number of Franchises, Protected Territories and fees (as applicable).

b. Franchisee maintained compliance with all of the provisions of this Agreement during the term, including payment, on a timely basis, of all fees and other payments due hereunder. "**Compliance**" means, at a minimum, that Franchisee has not (i) failed to timely cure any breach of this Agreement specified by OFFC in a written notice to Franchisee; or (ii) received any written notification from OFFC of breach hereunder more than three times during the 24-month period prior to the expiration of the term of this Agreement, regardless of whether such breaches were timely cured.

c. Franchisee satisfies the then current standards applicable to all new OFFC franchisees, including OFFC's then current qualification and training requirements.

d. Franchisee maintains or modifies the OXI FRESH Business and its operations at Franchisee's sole expense (the necessity of which will be in the sole discretion of OFFC) to conform to the then current Operations Manual (hereinafter defined).

e. Except where prohibited by law, Franchisee executes a general release of any and all claims against OFFC and its affiliates, and their respective officers, directors, employees and agents, whether in their corporate or individual capacities, arising out of or relating to this Agreement.

f. Franchisee pays to OFFC a successor franchise fee in the amount of $4,000.00, which is due and payable upon execution of OFFC's then current Franchise Agreement and will be nonrefundable under all circumstances once paid. Except for the successor franchise fee described in the preceding sentence, an initial franchisee fee will not be charged upon execution of the successor Franchise Agreement. If Franchisee is exercising the successor franchise rights for multiple Franchises granted under this Agreement, Franchisee must pay the successor franchise fee for each individual Franchise.

3.4. Exercise of Option for Successor Franchise.

Franchisee may exercise its option for a successor franchise by giving written notice of such exercise to OFFC not less than 120 days, but not more than one year, prior to the scheduled expiration of this Agreement. Franchisee's successor franchise rights will become effective upon Franchisee's compliance with **Section 3.3** above. OFFC will provide Franchisee with copies of the then current Franchise Agreement within 30 days of Franchisee's notice of exercise of its option for a successor franchise. If Franchisee fails to execute and deliver the successor Franchise Agreement to OFFC within 30 days after Franchisee's receipt thereof from OFFC, then Franchisee shall be deemed to have irrevocably declined to exercise its option for a successor franchise and the Franchisee's option for a successor franchise shall terminate as of such date.

4. TERRITORY

4.1. OXI FRESH Location.

Franchisee's OXI FRESH Business will be operated from a location agreed upon by OFFC and Franchisee ("**OXI FRESH Location**"), which may be Franchisee's residence (if Franchisee is one or more individuals) or the residence of an owner of Franchisee (if Franchisee is a business entity). The OXI FRESH Location is designated in the Addendum. If Franchisee's residence is used as the OXI FRESH Location, then Franchisee's home office must meet all applicable rules and regulations to qualify as a home office for tax purposes in the country where the Protected Territory is located. If the OXI FRESH Location is not located in Franchisee's residence, OFFC must review and approve the lease or purchase agreement based on an analysis of local competing businesses, demographics, visibility, accessibility, suitability of the premises to be leased, and other factors more fully described in the Operations Manual. If OFFC does not approve the location selected by Franchisee, Franchisee must select another site. Franchisee must have the prior written approval of OFFC for the location of the OXI FRESH Location, and the OXI FRESH Location may not be relocated without the prior written consent of OFFC. Franchisee agrees to comply with any standards established by OFFC from time to time regarding Franchisee's OXI FRESH Location within 30 days of receipt of written notice from OFFC of such standards.

4.2. Protected Territory.

a. OFFC has designated a protected territory as set forth in the Addendum (the "**Protected Territory**") in which OFFC agrees it will not operate, or grant a Franchise to a third party to operate, an OXI FRESH Business utilizing the Marks, subject to the rights of other franchised or OFFC-owned OXI FRESH Businesses to engage in Broad Area Marketing (defined in **Section 13.2**) covering areas that may include the Protected Territory and to accept business resulting from referrals or unsolicited inquiries from customers within the Protected Territory (as described in **Section 4.2.b** below), and subject to the terms of any N&I Account Program as described in **Section 14.4** below. Franchisee shall maintain its rights in the Protected Territory even though the population may increase.

b. Franchisee must devote its marketing to customers solely in the Protected Territory, although Franchisee may accept business resulting from referrals or unsolicited inquiries from customers outside the Protected Territory. Franchisee may engage in Broad Area Marketing covering an area that includes but extends beyond the Protected Territory under certain conditions as stated in **Section 13.2** below. Franchisee may not solicit customers from outside its Protected Territory without the prior written approval of OFFC, which approval may be withheld for any reason. If Franchisee does solicit any customers outside the Protected Territory without the prior written approval of OFFC, then OFFC has the right to require Franchisee to immediately send all of the revenues derived from those customers to the franchisee who has acquired the territory where such customers are located, or to OFFC, as specified by OFFC.

4.3. OFFC's Reservation of Rights.

Franchisee understands and agrees that OFFC has and retains the rights under this Agreement to: (a) develop and establish other franchise systems for different products or services utilizing proprietary marks not now or hereafter designated as part of the Licensed Methods, and to grant licenses thereto, without providing Franchisee with any rights therein; (b) open, operate, sell and/or manage OXI FRESH Businesses outside the Protected Territory; (c) use, and to license others to use, the Marks and Licensed Methods for the operation of OXI FRESH Businesses at any location other than in the Protected Territory; (d) use the Marks and the Licensed Methods in connection with the provision of other services and products or in alternative channels of distribution (including, but not limited to, Internet, catalog, mail order, telemarketing or other direct marketing sales), without regard to location; (e) use the Marks and the Licensed Methods in connection with the licensing to others to provide, or the provision by OFFC directly of, services and products to commercial customers without regard to location in situations in which OFFC determines in its sole discretion that Franchisee will not be permitted by the commercial customer to provide the services, or if Franchisee is unable to adequately provide services to such commercial customers, including in cases where the commercial customer requires union labor which Franchisee is unable to provide or where the size or other aspects of the work make it unlikely in OFFC's determination that Franchisee will be able to provide a satisfactory level and quality of service; (f) use and license the use of other proprietary marks or methods of doing business which are not the same as, or confusingly similar to, the Marks or Licensed Methods, whether in alternative channels of distribution (including, but not limited to, Internet, catalog, mail order, telemarketing or other direct marketing sales), at any location (including within the Protected Territory), which may be similar to or different from OXI FRESH Businesses; and (g) solicit, provide services to, and otherwise deal with N&I Account Program customers, or authorize others to do so, on the terms set forth in **Section 14.4** below. OFFC can acquire or be acquired by, or engage in any other transaction with, other businesses (competitive or not), companies, or units located anywhere, including arrangements where other units are (or are not) converted to the System or other format, or in which company-owned, franchised or other businesses (including OXI FRESH Businesses) are (or are not) converted to another format (whether competitive or

not), or both, and is maintained as the same concept, as a new concept, or as a separate concept in the Protected Territory. Franchisee must fully cooperate with any of these conversions, at Franchisee's sole expense.

5. INITIAL FRANCHISE FEE

5.1. Initial Franchise Fee.

Franchisee will pay OFFC an initial franchise fee in the amount set forth in the Addendum (the "**Initial Franchise Fee**"), which shall be due and payable in full upon execution of this Agreement. Franchisee acknowledges and agrees that the Initial Franchise Fee represents payment for the initial grant of the rights to use the Marks and Licensed Methods, that OFFC has earned the Initial Franchise Fee upon receipt thereof, and that the Initial Franchise Fee is not refundable to Franchisee once paid.

6. TRAINING

6.1. Initial Training Program.

Franchisee (or if Franchisee is an entity, a person designated to assume primary responsibility for the management of Franchisee's OXI FRESH Business (an "**Operations Manager**")) shall attend and satisfactorily complete (at OFFC's sole determination) the initial business training program (the "**Initial Training Program**") prior to providing the first cleaning service to a customer through the OXI FRESH Business. Franchisee shall be responsible for all wages, travel and living expenses incurred by itself or its Operations Manager and for any other representative of Franchisee attending the Initial Training Program. OFFC will allow one person, in addition to Franchisee or its Operations Manager, chosen by Franchisee and approved by OFFC, to attend the Initial Training Program without tuition charged, provided that the training of the additional person is at the same time as the training of the Franchisee or its Operations Manager. OFFC may require any other representative(s) of Franchisee to attend and satisfactorily complete (at OFFC's sole determination) the Initial Training Program. OFFC may charge for any additional representatives of Franchisee who attend the Initial Training Program. If, under the terms of this Agreement or otherwise, Franchisee needs or desires to have persons attend the Initial Training Program after Franchisee's attendance of the Initial Training Program, then Franchisee must pay the then current tuition charged by OFFC for those persons, in addition to all wages, travel and living expenses incurred in connection with their attendance at the Initial Training Program. If OFFC determines, in its sole discretion, that Franchisee or its Operations Manager (as applicable) is unable to satisfactorily complete the Initial Training Program, OFFC shall have the right to terminate this Agreement upon written notice to Franchisee, and OFFC may keep the Initial Franchise Fee paid by Franchisee to OFFC as liquidated damages, and not as a penalty.

6.2. Length of Training.

The Initial Training Program will consist of up to 18 hours of instruction to be conducted over two business days at OFFC's facilities in Lakewood, Colorado, U.S.A., or another location designated by OFFC. OFFC reserves the right to waive all or a portion of the Initial Training Program or to alter the training schedule, if in OFFC's sole discretion, Franchisee or its Operations Manager, as applicable, has sufficient prior experience.

6.3. Additional Training.

a. Franchisee or its Operations Manager must attend and satisfactorily complete (at OFFC's sole determination) an advanced business training program (the "**Advanced Training Program**") within 90 to 180 days after the effective date of this Agreement. If OFFC's Advanced Training Program is not offered by OFFC during that time frame, Franchisee must attend the next one held thereafter. OFFC will allow one person, in addition to Franchisee or its Operations Manager, chosen by Franchisee and approved by OFFC, to attend the Advanced Training Program without tuition charged, provided that the training of the additional person is at the same time as the training of the Franchisee or its Operations Manager. Franchisee shall be responsible for all wages, travel and living expenses incurred by itself or its Operations Manager and for any other representative of Franchisee attending the Advanced Training Program. However, OFFC will reimburse Franchisee for the cost of transportation and lodging related to the Advanced Training Program, up to a maximum of $350.00 per each representative of Franchisee attending, for up to two representatives. OFFC shall provide this reimbursement within 30 days of Franchisee providing acceptable documentation verifying its expenditures. Such reimbursement, in OFFC's discretion, may instead be granted in the form of a credit toward amounts that are presently or which may in the future become payable by Franchisee to OFFC. OFFC may require any other representative(s) of Franchisee to attend and satisfactorily complete (at OFFC's sole determination) the Advanced Training Program. OFFC may charge for any additional representatives of Franchisee who attend the Advanced Training Program, without reimbursement for the expenses for such additional representatives. If OFFC determines, in its sole discretion, that Franchisee or its Operations Manager (as applicable) is unable to satisfactorily complete the Advanced Training Program, OFFC shall have the right to terminate this Agreement upon written notice to Franchisee. OFFC reserves the right to waive all or a portion of the Advanced Training Program or to alter the training schedule, if in OFFC's sole discretion, Franchisee or its Operations Manager, as applicable, has sufficient prior experience.

b. At Franchisee's option, OFFC will provide an additional training program for "Commercial/Pull System" cleaning services and related marketing techniques (the "**Commercial/Pull System Training Program**") for Franchisee or its Operations Manager. Franchisee shall pay OFFC an additional fee of $700.00 (the "**Commercial/Pull System Training Fee**") for the Commercial/Pull System Training Program. Franchisee shall be responsible for all wages, travel and living expenses incurred by itself or its Operations Manager and for any other representative of Franchisee attending the Commercial/Pull System Training Program. OFFC will allow one person, in addition to Franchisee or its Operations Manager, chosen by Franchisee and approved by OFFC, to attend the Commercial/Pull System Training Program without further charge provided that the training of the additional person is at the same time as the training of the Franchisee or its Operations Manager. OFFC may charge additional amounts for any additional representatives of Franchisee who attend the Commercial/Pull System Training Program. Franchisee acknowledges and agrees that the Commercial/Pull System Training Fee is not refundable to Franchisee once paid.

c. If OFFC in its sole discretion determines at any time during the term of this Agreement that Franchisee requires training in addition to the Initial Training Program and Advanced Training Program, or if Franchisee reasonably requests such additional training and OFFC in its sole discretion agrees to provide it, then OFFC will provide notice to Franchisee of such additional training, and OFFC will conduct such additional training program(s) at a location designated by OFFC. Franchisee will be responsible for paying its travel, lodging and other costs, and shall pay OFFC its reasonable fees for conducting additional training, which fees may be changed from time to time.

d. From time to time, OFFC may conduct additional meetings, seminars, conventions, and training programs. Franchisee or its representatives may attend such programs at their own expense and

shall attend such programs for which OFFC has determined that Franchisee's attendance is required. OFFC will not require Franchisee to attend regional, national, or international training programs more often than twice a year. OFFC will give Franchisee at least 30 days' prior written notice of any ongoing seminar, convention, program or meeting being held at which Franchisee's or its Operations Manager's attendance is required. All mandatory training programs will be offered without a tuition charge; provided, however, OFFC may allocate the costs incurred in holding each meeting, training program, seminar or convention, including expenses for materials, food and banquet expenses, all expenses for related activities, and all other expenses which are associated with attendance at each meeting, program, seminar or convention, equally among all franchisees, whose attendance is required, regardless of attendance. If Franchisee's or its Operations Manager's attendance is required at the applicable training program, seminar, regional meeting or national or international convention, Franchisee will be required to pay its pro-rata share if it attends the applicable training program, seminar, regional meeting or national or international convention, and, at OFFC's option, if Franchisee or its Operations Manager fails to attend the applicable training program, regional meeting or national or international convention, Franchisee will be required to pay 150 percent of its pro-rata share. Franchisee will also be responsible for all wages, travel and living expenses associated with the attendance of Franchisee, its Operations Manager (if applicable), and all other persons associated with Franchisee at each training program, seminar, meeting or convention. OFFC may, at its sole option, choose to waive all or a portion of the costs for actual attendees of the applicable training program, seminar, meeting or convention without being obligated to waive any costs for non-attendees of the training program, meeting or convention. If Franchisee or its Operations Manager fails to attend a program at which attendance is deemed mandatory by OFFC, OFFC may, in its sole discretion, and without waiving any other rights OFFC may have hereunder, require Franchisee or its Operations Manager to attend and complete a make-up or alternative program at a location determined by OFFC. Franchisee will be responsible for paying all wages, travel, lodging and other costs, and for paying Franchisee's registration fee for the program.

6.4. Release.

Franchisee, for itself and its agents, heirs, legal representatives, successors and assigns, forever releases, waives, discharges and holds OFFC and any of its affiliated companies, directors, officers, employees and agents harmless from any and all claims, demands, causes of actions, loss, damage or injury, including attorneys' fees and costs, on account of, arising out of or attributable to the attendance or participation of Franchisee or its Operations Manager and any other representatives of OFFC in any seminar, convention, program or meeting, or other company function or activity, including but not limited to the Initial Training Program, the Advanced Training Program, the Commercial/Pull System Training Program, any meetings, conventions or seminars, other required or non-required training programs, held or sponsored by or for OFFC or the travel to or from such programs.

7. FRANCHISEE'S DEVELOPMENT OBLIGATIONS

7.1. Computer Equipment and Telephones.

Franchisee is required to own and operate computer equipment, software, telephones, facsimile machines and other similar equipment meeting the standards and specifications set forth in the Operations Manual or as OFFC otherwise designates. Franchisee shall add, eliminate, substitute or modify any computer equipment, software, telephones, facsimile machines and other similar equipment upon 60 days' notice from OFFC of changes in OFFC's specifications and requirements. Franchisee is solely responsible for the on-going maintenance, repairs, upgrades, updates, and support of all computer equipment, software, telephones, facsimile machines and other similar equipment, but OFFC may require

Franchisee to obtain such services or products through approved third party suppliers. OFFC retains the right to require Franchisee to provide OFFC with independent access to its computer system.

7.2. Authorized Representatives.

Franchisee will be solely responsible for recruiting, appointing, hiring, firing, and supervising its employees, independent agents, Operations Manager, and other authorized representatives (collectively referred to as "**Authorized Representatives**"). Those Authorized Representatives will be employees or agents of Franchisee. They are not employees or agents of OFFC and OFFC is not the joint employer of those persons. Franchisee will have sole authority and control over the day-to-day operations of the OXI FRESH Business and its Authorized Representatives. OFFC will have no right or obligation to direct Franchisee's Authorized Representatives or to operate the OXI FRESH Business. It is Franchisee's responsibility to determine compensation of Authorized Representatives, terms of employment, safety regulations, work assignments, work schedules, and working conditions. Any information regarding any of those issues provided to Franchisee by OFFC are mere suggestions and Franchisee shall have the sole discretion to utilize such information or not. Franchisee is solely responsible for implementing training and other programs for employees and other Authorized Representatives related to the legal, safe, and proper performance of their work, regardless of the fact that OFFC may provide advice, suggestions, and certain training programs as described in this Agreement. Such advice, suggestions, and training by OFFC are provided to protect OFFC's brand and the Marks and not to control the day-to-day operation of Franchisee's OXI FRESH Business. Franchisee will keep OFFC informed of the names, addresses and telephone numbers of all Authorized Representatives. Franchisee shall cause each Authorized Representative to execute OFFC's standard Nondisclosure and Noncompetition Agreement.

7.3. Commencement of Operations.

Franchisee shall be deemed to have commenced operations of its OXI FRESH Business when Franchisee or its Operations Manager has completed the Initial Training Program. If Franchisee has not provided its first cleaning service to a customer within 90 days after the signing of this Agreement, then OFFC can, at its sole option, terminate the Franchise Agreement and keep the entire Initial Franchise Fee as liquidated damages, not as a penalty.

7.4. Active Operations.

Unless otherwise agreed in writing by OFFC and Franchisee, once Franchisee has commenced operations as specified above, Franchisee must actively promote and continue to operate its OXI FRESH Business in accordance with the Operations Manual and this Agreement; unless OFFC gives its prior written consent to Franchisee to temporarily suspend its operations, which consent may be withheld by OFFC for any reason.

8. DEVELOPMENT ASSISTANCE

8.1. OFFC's Development Assistance.

Prior to or simultaneously with the opening of the Franchisee's OXI FRESH Business, OFFC will provide Franchisee with the following assistance:

a. Designate Franchisee's Protected Territory.

b. Review and approve or disapprove the site selected by Franchisee for the OXI FRESH Business in accordance with **Section 4.1**, and, if applicable, the lease or purchase agreement for such site.

c. For each Franchise acquired by Franchisee, OFFC or its designee will provide Franchisee with an initial package of equipment and supplies consisting of one carpet and rug cleaning machine with sprayers and brushes, one upholstery cleaning machine, one vacuum cleaner, and an initial supply of cleaning agents. OFFC or its designee will sell to Franchisee additional carpet cleaning machines with sprayers and brushes, tile and grout brushes, upholstery cleaning machines, hardwood floor cleaning machines, vacuum cleaners, other cleaning machines if available, and cleaning agents requested by Franchisee.

d. Provide Franchisee with the specifications of all initial equipment, inventory and supplies required for the operation of its OXI FRESH Business, all as specified in the Operations Manual, and a list of all approved suppliers of any services, products, equipment, inventory, supplies and other materials that OFFC requires Franchisee to use.

e. Provide Franchisee lists of approved items of equipment, inventory, and supplies (by brand name and/or by standards and specifications) and lists of approved suppliers for those items.

f. Provide Franchisee a membership to the OFFC scheduling center (the "**Scheduling Center**"). Once Franchisee's Co-Op Line and any Market Expansion Line, as those terms are defined in **Section 8.1.g** below, are established, the Scheduling Center will schedule appointments for Franchisee. OFFC will also provide Franchisee with guidance related to accessing the Internet-based system that has been established by OFFC for scheduling jobs with the Scheduling Center over the Internet and for certain marketing purposes (the "**Oxi Fresh Scheduling and Marketing System**"), scheduling jobs on the Internet, and any other functions of the system. Franchisee must use the Scheduling Center to schedule all of its appointments. OFFC may suspend Franchisee's membership and schedule with the Scheduling Center and the Oxi Fresh Scheduling and Marketing System at any time Franchisee is in default of its obligation to pay the Job Fee, as defined in **Section 12.3**, or any other fee or amount due to OFFC, in addition to any other rights or remedies OFFC may have.

g. For each Franchise acquired, provide Franchisee a telephone line with a number that is local to Franchisee's Protected Territory (the "**Co-Op Line**"). This Co-Op Line will ring into the Scheduling Center for scheduling of jobs based on the zip code provided by the caller. The jobs scheduled through a Co-Op Line shall be assigned by the Scheduling Center to the OFFC franchisee with the protected territory rights to the zip code provided by the caller, regardless of which OFFC franchisee's Co-Op Line is called. Franchisee must have at least one Co-Op Line for each Franchise it acquires. Franchisee may acquire additional Co-Op Lines for an increased Job Fee. Franchisee also may request, at its option and for an additional increase in the Job Fee, for OFFC to provide Franchisee another telephone line with a number local to Franchisee's Protected Territory which rings into the Scheduling Center for scheduling of jobs only for Franchisee's OXI FRESH Business, regardless of the location of the job or the caller (a "**Market Expansion Line**"). The decision to provide and allow the use of a Market Expansion Line will be in OFFC's sole discretion if it determines that use of a Market Expansion Line is appropriate based on the circumstances of Franchisee's OXI FRESH Business and Protected Territory. OFFC may discontinue providing and allowing use of any Market Expansion Line, or convert any Market Expansion Line to a Co-Op Line, if it determines in its sole discretion that circumstances are no longer appropriate for the Market Expansion Line. Franchisee acknowledges as between OFFC and Franchisee, OFFC has the sole rights to, and interest in, all Co-Op Lines and Market Expansion Lines. In the event that OFFC's telephone carrier does not have coverage within the Protected Territory, Franchisee will be required to obtain a local telephone line for the required Co-Op Line for each Franchise and any additional telephone

line desired, arrange for the connection of the line to the Scheduling Center, and, unless OFFC specifies otherwise in its discretion, reassign the line to OFFC's telephone carrier and transfer the rights in the line to OFFC, at which point the local line will be deemed a Co-Op Line or Market Expansion Line to be provided by OFFC to Franchisee.

h. OFFC will provide Franchisee with access to the Inner Circle portion of OFFC's website, for delivery of marketing information, order forms for supplies, equipment, work orders and other products, templates for advertising, and other materials, and other relevant information.

i. Loan Franchisee one copy of OFFC's Operations Manual in accordance with **Article 9** below.

j. Provide the Initial Training Program in accordance with **Sections 6.1 and 6.2** of this Agreement.

k. Provide Franchisee advice and guidance in preparing to provide services through its OXI FRESH Business, including standards and procedures for obtaining inventory and supplies, providing approved services, and advertising, promoting and operating its OXI FRESH Business

9. OPERATIONS MANUAL

9.1. Operations Manual.

OFFC agrees to loan to Franchisee one or more manuals, technical bulletins, videotapes, CD-ROMs or other written or media materials, in whatever form (including electronic form), prepared by or on behalf of OFFC for use by franchisees generally or for Franchisee in particular (all referred to in this Agreement as the "**Operations Manual**") covering the mandatory and suggested specifications, standards and operating procedures for Franchisee's OXI FRESH Business. The Operations Manual is designed to protect OFFC's reputation and the goodwill of the Marks, it is not designed to control the day-to-day operations of Franchisee's OXI FRESH Business. The Operations Manual shall also be deemed to include that information contained on the Inner Circle portion of OFFC's website, to which Franchisee will be granted access in accordance with Section **8.1.h.** OFFC may modify the Operations Manual in OFFC's discretion. Franchisee agrees that it will comply with the Operations Manual as an essential aspect of its obligations under this Agreement.

9.2. Confidentiality of Operations Manual Contents.

Franchisee agrees to use the Marks and Licensed Methods only as specified in the Operations Manual. The Operations Manual is the sole property of OFFC, and will be used by Franchisee only during the term of this Agreement and in strict accordance with the terms and conditions hereof. Franchisee will not duplicate the Operations Manual or written materials considered by OFFC to be a component of the Operations Manual, nor disclose the contents thereof to persons other than its Authorized Representatives or officers who have signed a confidentiality and non-competition agreement in a form supplied by or approved by OFFC. Franchisee will return the Operations Manual to OFFC upon the expiration, termination or transfer of this Agreement, at Franchisee's sole expense.

9.3. Changes to Operations Manual.

OFFC reserves the right to revise the Operations Manual from time to time as it deems necessary. Franchisee will conform its operations to any updated provisions within 30 days of notice of the change.

A master copy of the Operations Manual maintained by OFFC at its principal office, regardless if maintained electronically or otherwise, will be controlling in the event of a dispute regarding the content of any Operations Manual.

10. OPERATING ASSISTANCE

10.1. OFFC's Available Services.

OFFC agrees that, during Franchisee's operation of the OXI FRESH Business, and provided Franchisee is in compliance with the terms of this Agreement, OFFC will provide to Franchisee the following assistance and services:

a. Provide continuing courses of training, including the Advanced Training Program, and the Commercial/Pull System Training Program if requested by Franchisee, at times and locations designated by OFFC, in accordance with **Section 6.3**.

b. In OFFC's discretion, inspect Franchisee's OXI FRESH Business and/or work performed for some of Franchisee's customers, as OFFC deems advisable, in accordance with **Section 11.4**.

c. Provide Franchisee with the updated specifications of all equipment, inventory and supplies required for the operation of its OXI FRESH Business, and updated lists of all approved suppliers of any services, products, equipment, inventory, supplies and other materials that OFFC requires Franchisee to use.

d. Provide Franchisee with continuing consultation and advice regarding business, financial, operational, technical, pricing, sales and advertising matters, type of Products and Services offered, operation of an OXI FRESH Business, and development of personnel policies, as deemed appropriate by OFFC, through meetings, telephone or e-mail consultations, the Inner Circle portion of OFFC's website, on-site visits and/or printed materials or other media, as deemed appropriate by OFFC. OFFC and Franchisee agree that any prices suggested to Franchisee by OFFC for Products and Services are recommendations only, and are not to be construed as mandatory upon Franchisee. Franchisee's right to establish prices for Products and Services is expressly subject to the other provisions of this Agreement and Franchisee's obligation to comply with OFFC's standards, specifications, and Licensed Methods to the extent that they relate to pricing matters. Nothing contained herein shall be deemed a representation by OFFC that the use of OFFC's suggested prices will optimize profits.

e. Schedule appointments for Franchisee through the Scheduling Center and provide the Co-Op Line(s) and any Market Expansion Line(s) acquired by Franchisee. OFFC makes no representations or warranties to Franchisee, and expressly disclaims any warranty, that the Oxi Fresh Scheduling and Marketing System is error free or that the operation and use thereof by Franchisee, Franchisee's customers, or any other party will be uninterrupted or error free. EXCEPT AS MAY BE REQUIRED BY APPLICABLE LAW, OFFC MAKES NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHETHER EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, RELATED TO THE OXI FRESH SCHEDULING AND MARKETING SYSTEM, AND ALL SUCH WARRANTIES ARE EXPRESSLY EXCLUDED. IN NO EVENT SHALL OFFC HAVE ANY LIABILITY TO FRANCHISEE FOR (I) INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF USE, REVENUE, OR PROFIT, RESULTING FROM THE OPERATION OF THE OXI FRESH SCHEDULING AND MARKETING SYSTEM, OR ANY ERROR OR INTERRUPTION THEREIN; OR (II) CLAIMS, DEMANDS OR ACTIONS AGAINST FRANCHISEE BY ANY THIRD PARTY

RELATED TO THE OPERATION OF THE OXI FRESH SCHEDULING AND MARKETING SYSTEM, OR ANY ERROR OR INTERRUPTION THEREIN.

f. Provide a single toll-free custom telephone number for the entire Oxi Fresh System (the "**Toll-Free Number**"), which will connect to the Scheduling Center and schedule appointments for OFFC's franchisees based on the zip or postal code entered by the caller. A portion of the Job Fee that Franchisee pays OFFC includes a fee for the Toll-Free Number. In lieu of OFFC paying for the Toll-Free number directly, OFFC, in its discretion, may require Franchisee to sign up with the Toll-Free Number telephone carrier to use the Toll-Free Number and pay the rates for the Toll-Free Number directly to the carrier. OFFC reserves the right to discontinue or change the Toll-Free Number in its sole discretion. Franchisee acknowledges as between OFFC and Franchisee, OFFC has the sole rights to, and interest in, the Toll-Free Number.

10.2. Additional OFFC Services.

Although not obligated to do so, upon the reasonable request of Franchisee, OFFC may make its employees or designated agents available to Franchisee, either at OFFC's office or within Franchisee's Protected Territory, for additional advice and assistance in connection with the ongoing operation of the OXI FRESH Business governed by this Agreement. If Franchisee requests such additional assistance and OFFC agrees to provide it, OFFC reserves the right to charge Franchisee for all travel, lodging, living expenses, telephone charges and other identifiable expenses associated with such assistance, plus a fee based on the time spent by each employee on behalf of Franchisee. Any fee will be charged in accordance with the then current published fees being charged by OFFC for such assistance.

11. FRANCHISEE'S OPERATIONAL COVENANTS

11.1. Business Operations.

Franchisee acknowledges that it is solely responsible for the successful operation of its OXI FRESH Business and that the continued successful operation thereof is, in part, dependent upon Franchisee's compliance with this Agreement and the Operations Manual. In addition to all other obligations contained in this Agreement and in the Operations Manual, Franchisee covenants that:

a. Prior to providing its first cleaning service to a customer through the OXI FRESH Business, Franchisee shall: (i) procure all necessary licenses, permits, and approvals, including, without limitation, construction permits and licenses; (ii) hire and train sufficient personnel to operate the OXI FRESH Business; and (iii) purchase and install necessary equipment and supplies, as required by OFFC.

b. Franchisee shall use the Scheduling Center to schedule all of the appointments for the OXI FRESH Business. It is Franchisee's responsibility to check and monitor its scheduled appointments through the Oxi Fresh Scheduling and Marketing System and operate its OXI FRESH Business in accordance with that schedule. Franchisee shall comply with all terms and conditions applicable for the use of the Scheduling Center and the Oxi Fresh Scheduling and Marketing System related to the scheduling of appointments and Franchisee's OXI FRESH Business. In particular, unless OFFC agrees otherwise or changes them, those current terms and conditions require that Franchisee may have only one base price sheet and one calendar for job scheduling per each Protected Territory, which will apply for the entire relevant Protected Territory. Franchisee may have multiple job schedules based on the number of technicians employed by Franchisee. Franchisee authorizes OFFC to utilize any information submitted to or otherwise collected by the Scheduling Center, including but not limited to any data collected through the Oxi Fresh Scheduling and Marketing System or through telephone calls, to prepare a financial

performance representation, to release this information as necessary to substantiate any financial performance representation made by OFFC, and to share such information in summary form as OFFC deems necessary or desirable to share with other franchisees at any annual franchise meeting or other franchise business meetings. All of the software programs and Internet applications or websites that OFFC requires Franchisee to use in its OXI FRESH Business, including but not limited to the Oxi Fresh Scheduling and Marketing System, are deemed part of the Licensed Methods under this Agreement.

c. Franchisee shall be required to report to OFFC, through the Oxi Fresh Scheduling and Marketing System or in another manner specified by OFFC, all information requested by OFFC related to the OXI FRESH Business. In particular, Franchisee shall report to OFFC the information required to close out all job orders scheduled through the Scheduling Center.

d. Franchisee shall at all times operate its OXI FRESH Business in full compliance with all applicable laws, ordinances and regulations, including, without limitation, all laws, ordinances, and government regulations relating to (i) occupational hazards and health, (ii) consumer protection, (iii) equal opportunity, (iv) trade regulation, (v) worker's compensation, (vi) unemployment insurance, (vii) withholding and payment of federal, provincial, state, or other jurisdiction income taxes, social security taxes, or similar taxes, (viii) withholding and payment of sales, use, and property taxes, (ix) the import and export of goods, (x) currency control, (xi) privacy and data protection, and (xii) bribery of or other illegal payments to any government, government agency, public international organization, or political party, or any of their officials, employees, candidates, or other representatives. Franchisee shall maintain in force all required licenses, permits and certificates relating to the operation of its OXI FRESH Business. OFFC has no obligation to advise Franchisee of any legislative or other legal developments that may affect its OXI FRESH Business. Franchisee is solely responsible for inquiring about and becoming familiar with all applicable laws, ordinances, and regulations, and determining those actions required for compliance. Any information OFFC provides to Franchisee regarding applicable laws, ordinances, or regulations does not relieve Franchisee of its responsibility to consult with its own legal advisor and otherwise take appropriate action to inquire about and comply with applicable laws, ordinances, and regulations.

e. Franchisee shall, consistent with the terms of this Agreement, diligently develop its OXI FRESH BUSINESS and use its best efforts to market and promote the required Products and Services in the Protected Territory.

f. Franchisee, or the Operations Manager, as applicable, shall be directly involved, on a daily basis, in the supervision and conduct of Franchisee's OXI FRESH Business.

g. Franchisee will at all times faithfully, honestly and diligently perform its obligations hereunder and will not engage in any other business that will conflict with its obligations hereunder.

h. Franchisee agrees that its OXI FRESH Business will at all times maintain an adequate supply of cleaning agents and other materials required by OFFC, so as to enable Franchisee to operate the OXI FRESH Business in compliance with the standards and specifications of OFFC.

i. OFFC may provide Franchisee with specifications for brands and types of any equipment (including motor vehicles), fixtures, furniture, and displays required to be used in Franchisee's OXI FRESH Business or in Franchisee's OXI FRESH Location; and Franchisee agrees to equip and furnish its OXI FRESH Business and OXI FRESH Location in accordance with OFFC's specifications. Franchisee shall purchase or lease original and replacement equipment, fixtures, furniture, and displays meeting such specifications only from sources approved by OFFC. If Franchisee proposes to purchase or lease any

item of equipment, fixtures, furniture, or displays not approved by OFFC as meeting its specifications, Franchisee shall first notify OFFC in writing. OFFC may require submission of sufficient specifications, photographs, drawings and/or other information and samples to determine whether such item of equipment, fixture, or display meets its specifications. OFFC shall advise Franchisee within a reasonable period of time whether such item of equipment, fixture, or display meets its specifications.

j. Franchisee, at its sole expense, agrees to erect, prominently display and maintain advertising signs of such design, color, number, location, illumination and size as OFFC may require. All such signs or sign faces, as the case may be, shall bear the Marks. Franchisee further agrees to obtain all necessary permits and to comply with all codes, regulations or ordinances applicable to display of the required signage, all at the expense of Franchisee. The maintenance and repair of all signs shall be the sole responsibility and obligation of Franchisee. Franchisee shall not display any sign not approved by OFFC. Franchisee must comply with OFFC's sign criteria, as more fully set forth in the Operations Manual.

k. All advertising and promotional activities that Franchisee conducts in any medium shall be conducted in a dignified manner; shall accurately promote, describe and otherwise represent the Products and Services of an OXI FRESH Business; and shall have been approved in writing by OFFC prior to their use by Franchisee. Franchisee agrees to refrain from any advertising or promotional practice that is unethical or may be injurious to the business or reputation of OFFC or the goodwill associated with the Marks.

l. Franchisee shall notify OFFC in writing within five days of the commencement of or the threatening of any action, suit, or proceeding, or of the issuance or the threatened 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 Franchisee, its OXI FRESH Business, or the reputation of the System or of OFFC.

m. Franchisee's OXI FRESH Location shall be used solely for the purpose of conducting an OXI FRESH Business; except if the OXI FRESH Location is in a residence, portions of the residence not utilized for the OXI FRESH Business may be utilized for noncommercial purposes.

n. Franchisee or the Operations Manager, as applicable, shall attend and complete the Initial Training Program and Advanced Training Program referred to in **Article 6** above. Franchisee or the Operations Manager, as applicable, shall also attend subsequent mandatory training programs, demonstrations and seminars at locations as OFFC may require. Franchisee shall be bound by the terms of **Article 6** of this Agreement in regard to all training programs.

o. Franchisee shall strictly comply with all present and future provisions of the Operations Manual, including, specifically, those related to (i) the training, dress, general appearance and demeanor of Franchisee's employees; (ii) the hours during which the OXI FRESH Location will be attended and open for business, and the hours during which employees of Franchisee's OXI FRESH Business will be available to complete customer jobs; (iii) all advertising and promotional programs; (iv) the use and retention of standard forms; (v) the type, quantity and variety of equipment (including motor vehicles) and cleaning agents, trademarked product lines (if any), copyrighted materials, and inventory items used; (vi) the use of signs, posters, displays and similar items; (vii) the identification of Franchisee as the owner of the OXI FRESH Business; (viii) the treatment of customers and the handling of customer complaints; (ix) the procedures regarding purchasing of items from OFFC and/or its affiliates; (x) the safety, maintenance, cleanliness, function and appearance of the OXI FRESH Location and of its equipment (including motor vehicles), fixtures, furniture, decor and signs used in the OXI FRESH Business; and (xi)

any other mandatory specifications, standards, operating procedures and techniques, and/or other rules prescribed from time to time by OFFC in the Operations Manual or otherwise communicated to Franchisee in writing.

p. Franchisee recognizes and agrees that from time to time hereafter OFFC may change or modify the Licensed Methods and the System as presently described in the Operations Manual, and as identified by the Marks, including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new computer programs and systems, new types or brands of equipment and products, new inventory, or new equipment requirements or new techniques, and that Franchisee will accept, use and display for the purpose of this Agreement any such changes in the Licensed Methods and the System as if they were part of this Agreement at the time of execution hereof. Franchisee will make such expenditures as such changes or modifications in the Licensed Methods and the System may require. Franchisee shall not change, modify or alter in any way any material aspect of the Licensed Methods or the System, without the prior written consent of OFFC.

q. Franchisee shall not sell any service or product except the Services or Products, in conjunction with the operation of its OXI FRESH Business, unless Franchisee receives the prior written consent of OFFC.

r. Franchisee shall not alter its OXI FRESH Business in any manner that materially affects the image of its OXI FRESH Business or the System, except at OFFC's request or with OFFC's written approval, and any alterations must strictly conform to the specifications and requirements established or approved by OFFC.

s. Franchisee shall pay when due all debts and taxes arising in connection with Franchisee's OXI FRESH Business, except those duly contested in a bona fide dispute. Franchisee shall pay OFFC an amount equal to any sales tax, gross receipts tax or similar tax imposed on OFFC with respect to any payments to OFFC required under this Agreement, unless the tax is credited against income tax otherwise payable by OFFC.

t. During the term of this Agreement and for three years after the expiration and termination of this Agreement, Franchisee shall notify OFFC of any change to Franchisee's (or its Operations Manager's) home and business addresses and telephone numbers.

u. Franchisee shall purchase and maintain in good operating condition computer equipment, software, telephones, facsimile machines and other similar equipment meeting OFFC's minimum specifications.

v. Franchisee shall become a member of such franchise, trade or other associations or organizations that, in the opinion of OFFC, are useful in the operation of an OXI FRESH Business. Franchisee shall have the option to become a member of all benefit programs that are offered from time to time by OFFC to all of its franchisees, if any. The costs of participating in such franchise, trade or other associations and benefit programs shall be borne by Franchisee and its employees (if applicable to the employees).

w. Franchisee will comply with all agreements with third parties related to its OXI FRESH Business.

x. Franchisee will at all times during the term of this Agreement own and control the OXI FRESH Business authorized hereunder. Upon request of OFFC, Franchisee will promptly provide

satisfactory proof of such ownership to OFFC. Franchisee represents that the Statement of Ownership, attached hereto as Exhibit III and incorporated by this reference, is true, complete, accurate and not misleading; and, in accordance with the information contained in the Statement of Ownership, the controlling ownership of the OXI FRESH Business is held by Franchisee. Franchisee will promptly provide OFFC with a written notification if the information contained in the Statement of Ownership changes at any time during the term of this Agreement and will comply with the applicable transfer provisions contained herein.

y. Except as prohibited or limited by law, Franchisee shall fully participate in all promotional campaigns, prize contests, customer loyalty programs, special offers, discount programs including deal-of-the-day and crowdsourcing programs, and other programs, whether international, national, regional, or local in nature (including the introduction of new Products or Services or other marketing programs directed or approved by OFFC), which are prescribed from time to time by OFFC. Franchisee shall be responsible for the costs of such participation. In addition, Franchisee shall honor any coupons, customer loyalty program points or credits, gift certificates, discounts, or other authorized promotional offers of OFFC at Franchisee's sole cost unless otherwise specified in writing by OFFC. Franchisee acknowledges that OFFC frequently implements such promotions intended to increase customer awareness and build business on an international, national, regional, or local level, and Franchisee's participation in these promotions is essential to their success. Franchisee acknowledges that OFFC has no obligation to reimburse Franchisee for the costs associated with participating in these promotions. From time to time a promotion may not benefit all franchisees in the System; and if the promotion is not offered in the region, or another unknown hardship arises, OFFC may, at OFFC's option, exempt Franchisee and/or other franchisees on a case-by-case basis.

z. Franchisee shall not engage in any activities not covered by Franchisee's liability insurance.

aa. Franchisee shall not engage in any trade, practice or other activity that is harmful to OFFC's goodwill or reflects unfavorably on OFFC's reputation, or that constitutes deceptive or unfair competition.

bb. Franchisee shall comply with all terms and conditions established by OFFC related to the use of any website that OFFC operates or provides, including the terms of use, privacy policy, and any other legal notices available on the website. Franchisee will comply with the terms of the privacy policy as the party disclosing information in regard to any information Franchisee discloses to OFFC or other parties through the website, and as the party collecting the information with regard to any personal information of any third parties that Franchisee receives through the website. In particular, Franchisee shall comply with the privacy policy as the collecting party related to any information disclosed by the Scheduling Center to Franchisee which was received by the Scheduling Center through the Oxi Fresh Scheduling and Marketing System over the Internet.

cc. Franchisee must have a physical location address in each of its Protected Territories that meets Google's then-current requirements for local marketing purposes in those territories. Franchisee does not have to operate its OXI FRESH Business from these physical addresses. OFFC may revise and expand on these physical address requirements in the Operations Manual.

dd. Franchisee must accept credit and debit cards from customers of its OXI FRESH Business. Franchisee shall not charge its customers any additional fees or service charges if they elect to pay by credit or debit card. The Payment Card Industry ("PCI") requires all companies that process, store, or transmit credit or debit card information to protect the cardholders' information by complying

with the PCI Data Security Standard ("PCI DSS"). Therefore, Franchisee shall be PCI compliant by following and adhering to then-current PCI DSS, currently found at www.pcisecuritystandards.org, or any similar or subsequent standard for the protection of cardholder data throughout the term of this Agreement. Franchisee's OXI FRESH Business shall be in compliance with PCI DSS at all times.

ee. Franchisee expressly authorizes OFFC and its approved suppliers to contact Franchisee by e-mail, telephone, mail, or any other means related to any aspect of the OXI FRESH Business, authorized Products and Services, this Agreement, or the System, for so long as this Agreement remains in effect. Franchisee expressly authorizes OFFC to disclose Franchisee's contact information to OFFC's approved and designated suppliers to enable such suppliers to contact Franchisee. Franchisee acknowledges that these communications are necessary to facilitate and keep Franchisee updated regarding the ongoing franchise relationship.

ff. In all communications with OFFC's representatives, including its Scheduling Center personnel, Franchisee and its Authorized Representatives must conduct themselves in a dignified and respectful manner. No hostile, threatening, or offensive statements or behavior toward any OFFC representative is permitted.

11.2. Customers in Unassigned Protected Territory.

If Franchisee provides services to any customer outside of its Protected Territory and within an area that is not, at the time any such services are provided, within the protected territory of another OXI FRESH Business (a "**Previously Unassigned Location**"), whether such jobs result from referrals or unsolicited inquiries under **Section 4.2.b**, Broad Area Marketing under **Section 13.2**, or otherwise, Franchisee acknowledges and agrees that any such customer may be assigned, directed, and referred by OFFC to an OXI FRESH Business that has as its protected territory all or part of the Previously Unassigned Location (the "**New Business**"). To enable OFFC to ensure that future jobs scheduled for a customer in the Previously Unassigned Location are assigned to the New Business, OFFC at its discretion may require that any Market Expansion Line of Franchisee used in the marketing directed at customers in the Previously Unassigned Location, or otherwise provided to or used by any customer in the Previously Unassigned Location, be converted to a Co-Op Line. OFFC may also take any other actions it deems appropriate to assign, direct, or refer such customers to the New Business, including but not limited to sending notices to Franchisee's customers in the Previously Unassigned Location of the New Business or advising those customers of the New Business when they contact the Scheduling Center.

11.3. Requirements for Entity Franchisees.

If Franchisee is a corporation, partnership, limited liability company or other business entity, the following additional conditions must be met, along with any other conditions as may be established by OFFC for entity franchisees:

a. Contemporaneously with the business entity acquiring the franchise rights, thereafter upon the issuance or transfer of any ownership interests in the business entity and the appointment or election of any person as director, officer, member or manager of the business entity, and at any other time requested by OFFC, the shareholders, members, partners, other owners, directors, officers, or managers (as applicable), any members of their immediate families, and any other individuals designated by OFFC will execute the Guaranty and Assumption of Franchisee's Obligations attached hereto as Exhibit II and incorporated herein by reference, personally guaranteeing full payment and performance of Franchisee's obligations to OFFC and individually undertaking to be bound, jointly and severally, by all the terms of this Agreement.

b. No shares in the capital of such corporation or other interest in the business entity shall be issued nor shall Franchisee directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, sell, assign, transfer, convey, donate, pledge, mortgage or otherwise encumber any such shares or other interest or offer or attempt to do so or permit the same to be done without OFFC's prior written consent. Such actions shall be deemed a Transfer, as defined in **Section 17.2**, and subject to the requirements of **Article 17** below.

c. The business entity shall maintain stop transfer instructions against the Transfer of ownership on its records subject to the restrictions of this Agreement and shall have all outstanding certificates of ownership endorsed with the following legend printed conspicuously upon the face of each certificate:

> ***The transfer of the shares represented by this certificate is subject to the terms and conditions of a certain Franchise Agreement with Oxi Fresh Franchising Co., Inc.***

d. The articles of incorporation or organization and by-laws, operating agreement or other governing documents of the business entity shall provide that its objectives or business is confined exclusively to the operation of the OXI FRESH Business as provided for in this Agreement, and recite that the issuance and Transfer of any ownership interest in the business entity is restricted by the terms of this Agreement, and copies thereof shall be furnished to OFFC upon request.

11.4. OFFC's Right to Inspect OXI FRESH Location.

OFFC or its agents have the right to enter and inspect Franchisee's OXI FRESH Location at all times, and shall have the right to observe the manner in which Franchisee is rendering its services and products and conducting its operations. OFFC or its agents shall have the right to confer with Franchisee's employees and customers, and to inspect equipment and related merchandise, trademarked product lines, other merchandise, equipment, supplies or inventory for evaluation purposes to determine whether the equipment and related merchandise, trademarked product lines, and other merchandise, equipment, supplies, inventory, services and operations are satisfactory and meet the quality control provisions and performance standards established by OFFC from time to time.

11.5. Noncompliance Service Charge.

a. In the event that Franchisee fails to comply with any obligation set forth in this Agreement or any mandatory standard or specification in the Operations Manual or otherwise established by OFFC, OFFC shall have the right upon written notice to Franchisee to impose a noncompliance service charge ("**Noncompliance Service Charge**"). The Noncompliance Service Charge may, at OFFC's option, immediately be charged by OFFC to Franchisee's credit card account pursuant to **Section 12.5.c** below or invoiced to Franchisee for payment within 10 days. The Noncompliance Service Charge shall be $500.00 for each event of noncompliance by Franchisee, or $1,000.00 for (i) each job performed by Franchisee or its OXI FRESH Business that is not scheduled through the Scheduling Center (an "**Unreported Job**"), (ii) a failure to maintain in full force and effect the insurance required under this Agreement following five days' written notice from OFFC, (iii) each item of equipment, inventory, materials, or other supplies, including cleaning equipment and cleaning agents, not approved by OFFC, which are used by Franchisee in its OXI FRESH Business or in the possession of Franchisee in its OXI FRESH Business, or (iv) each distribution, display, or other dissemination of any marketing or promotional material by Franchisee outside of the Protected Territory, except in the limited circumstances permitted in **Section 13.2** related to Broad Area Marketing.

b. In the event that OFFC, through an audit or otherwise, determines that Franchisee has derived Gross Revenues that exceed the amounts reported for jobs through the Scheduling Center (the "**Excess Revenues**"), then such Gross Revenues will be deemed conclusive evidence of one or more Unreported Jobs as referenced in **Section 11.5.a** and subject to the Noncompliance Service Charge(s). If OFFC is unable to determine the number of Unreported Jobs performed that resulted in the Excess Revenues, then OFFC shall be entitled to divide the total Excess Revenues by the Franchisee Job Average, as defined below, and treat the resulting number, rounded to the nearest whole number, as the number of Unreported Jobs, each of which is subject to a Noncompliance Service Charge. The "**Franchisee Job Average**," as used in this **Section 11.5.b**, is the average price per job for those jobs reported by Franchisee to OFFC through the Scheduling Center over the 12 months immediately preceding OFFC's discovery of the Excess Revenues or Unreported Jobs.

c. The Noncompliance Service Charge is intended to compensate OFFC for the administrative costs that it incurs in monitoring, notifying, and following up with Franchisee in the event of noncompliance. The imposition of the Noncompliance Service Charge is in addition to any other rights or remedies that OFFC may have in the event of noncompliance by Franchisee including, without limitation, any right to declare a default or terminate this Agreement as described in **Article 18**.

11.6. Referral of Other Franchisees.

If Franchisee refers a prospective franchisee to OFFC who was previously unknown to OFFC, and that person subsequently becomes a franchisee of OFFC, then OFFC at its option will either (i) pay to Franchisee a referral payment of $2,500.00, or (ii) grant Franchisee a credit of $3,500.00 to be applied toward Franchisee's purchases of inventory and other materials from OFFC. If the new franchisee pays its initial franchise fee in installments, the payment will be made or the credit will be granted to Franchisee on a pro rata basis within 30 days of the date on which funds are received. Otherwise, the referral payment will be made or the credit will be granted within 30 days of the date that the initial franchisee fee is paid in full.

12. CONTINUING FEES AND PAYMENTS

12.1. Royalty Fee.

a. Franchisee shall pay to OFFC a continuing royalty fee in the amount specified in the Addendum (the "**Royalty Fee**"). Franchisee shall not subordinate to any other obligation its obligation to pay the Royalty Fee or any other fee or charge hereunder.

b. The amount of the Royalty Fee shall be subject to an increase annually, at OFFC's option, on May 1 of each year, based on the increase in the U.S. Consumer Price Index for All Urban Consumers (CPI-U) for the all U.S. City Average for All Items, 1982-84=100 (the "**CPI**") pursuant to **Section 12.4** below, plus 5 percent per year, from the date the Royalty Fee was last increased for existing franchisees in the System.

c. Franchisee acknowledges that OFFC is entering into this Agreement with the expectation that it will receive the Royalty Fees over the full term of this Agreement.

12.2. Advertising and Technology Fees.

a. Franchisee shall pay to OFFC as an advertising fee (the "**Advertising and Technology Fee**") each month an amount equal to 2 percent of Franchisee's Gross Revenues during the most recently completed month, but no less than the minimum amount per month as established by OFFC. The initial minimum amount of the Advertising and Technology Fee shall be specified in the Addendum, and both the percentage amount and minimum amount of the Advertising and Technology Fee may be changed at any time upon 60 days' notice from OFFC to Franchisee, but in no event more frequently than once per year. The maximum percentage amount of the Advertising and Technology Fee shall be 3 percent of Franchisee's Gross Revenues. Each increase to the minimum amount of the Advertising and Technology Fee shall be no greater than the percentage increase in the CPI pursuant to **Section 12.4** below, plus 20 percent per year, from the date the Advertising and Technology Fee was last increased for existing franchisees in the System.

b. For purposes of the Advertising and Technology Fee, "**Gross Revenues**" means the total of all receipts derived from the operation of Franchisee's OXI FRESH Business, including for cleaning of commercial and residential carpet, rugs, upholstery, tile and grout floors, and hardwood floors, and other ancillary services and products provided by Franchisee or its agents or employees, whether the receipts are evidenced by cash, credit, or checks, or exchanged for services, materials, service charges, property or other means of exchange. Gross Revenues do not include the amount of any tax imposed by any federal, state, provincial, municipal or other governmental authority directly on sales and collected from customers, provided that the amount of any such tax is shown separately and in fact paid by Franchisee to the appropriate governmental authority. Gross Revenues shall be deemed received by Franchisee at the time the services and products from which they were derived are delivered or rendered or at the time the relevant sale takes place, whichever occurs first, regardless of whether final payment (e.g., collection on a customer's personal check) actually has been received by Franchisee. Gross Revenues consisting of property or services shall be valued at the retail prices applicable and in effect at the time that they are received.

12.3. Job Fee.

Franchisee shall pay OFFC a job fee (the "**Job Fee**") related to the telephone services provided by OFFC and the services provided by the Scheduling Center, which will consist of the following elements:

a. $14.00 for each job that is scheduled for Franchisee through the Scheduling Center;

b. $40.00 per month for each Co-Op Line that OFFC provides Franchisee;

c. $40.00 per month for each Market Expansion Line that OFFC provides Franchisee, if any; and

d. $10.00 per month for each Franchise owned by Franchisee for the Toll-Free Number provided by OFFC.

The portion of the Job Fee based on each job scheduled for Franchisee shall apply whether the job is scheduled through the Scheduling Center by telephone or by Internet through the Oxi Fresh Scheduling and Marketing System, by the customer or by Franchisee itself. The only circumstances in which this portion of the fee will not be payable for a scheduled job is in the event that Franchisee is unable to complete the job because of reasons outside its control. In the event that an additional Co-Op Line is

acquired with one or more other OFFC franchisees as part of a Broad Area Marketing Program as described in **Section 13.2**, then the portion of the Job Fee attributable to that Co-Op Line under **Section 12.3.b** above shall be divided equally among the OFFC franchisees participating in the Broad Area Marketing program or divided in another manner that OFFC in its discretion determines to be equitable based on the circumstances. The amount of each element of the Job Fee may be increased at any time in OFFC's sole discretion upon 60 days' notice from OFFC to Franchisee, but in no event more frequently than once per year. The maximum percentage amount of each increase for each of the individual elements of the Job Fee shall be equal to the percentage increase in the CPI pursuant to **Section 12.4** below, plus 5 percent per year, from the date that particular fee element was last increased for existing franchisees in the System. At any time Franchisee is in default of its obligation to pay the Job Fee or any other fee or amount due to OFFC by its due date, OFFC may, at its option and in addition to its other rights and remedies under this Agreement, suspend Franchisee's membership and schedule in the Scheduling Center and the Oxi Fresh Scheduling and Marketing System until Franchisee's default is cured.

12.4. Calculation of CPI Increase.

For purposes of determining the increases in the fees in **Sections 12.1** through **12.3**, the adjustment in the CPI shall be determined in accordance with this Section. During the 30 days prior to each date on which OFFC elects to make such increase to a fee or fee element (as applicable, the "**Applicable Fee**"), OFFC shall determine the CPI for the latest month in which the CPI is available (the "**Ending Index**") and the CPI as of the latest month in which the CPI was available at the time the Applicable Fee was last increased for the existing franchisees in the System (the "**Beginning Index**"). OFFC shall divide the Ending Index number by the Beginning Index number and multiply the quotient by the then current Applicable Fee. This resultant number shall then be increased by the additional 5 percent per year for the Royalty Fee and Job Fee, and 20 percent per year for the minimum amount of the Advertising and Technology Fee, which shall determine the new Applicable Fee. In no event shall the adjusted Applicable Fee for any year be less than the Applicable Fee in the previous year. If the method of computing the CPI is changed from that in effect when the CPI was established, then the CPI shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the CPI is (a) discontinued or (b) revised without a conversion factor being published, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the CPI had not been discontinued or revised.

12.5. Payments to OFFC.

a. Franchisee shall pay the Royalty Fees to OFFC in advance by the fifth day of the month, beginning when Franchisee provides the first cleaning service to a customer through its OXI FRESH Business. Franchisee shall pay the Advertising and Technology Fees to OFFC by the 15th day of the month, beginning when Franchisee provides the first cleaning service to a customer through its OXI FRESH Business, based on the Gross Revenues of the preceding month as reported through the Scheduling Center. Franchisee shall pay the Job Fee for each month on the fifth day of the following month.

b. If Franchisee is being granted more than one Franchise, OFFC may require that the first 12 months of Royalty Fees for the second and each subsequent Franchise that is granted be paid in advance upon the execution of this Agreement, as set forth in the Addendum. This advance payment shall be applied only toward those Royalty Fees due for such additional Franchises, and shall not reduce or be applied toward the Royalty Fee payments owed for the first Franchise acquired or any other amounts that become due to OFFC. This advance payment of the Royalty Fees is not refundable under

any circumstances, even if Franchisee does not commence operations of the subsequent OXI FRESH Businesses.

c. Contemporaneously with the execution of this Agreement, Franchisee shall accurately complete, execute, and deliver to OFFC (i) the Authorization Agreement for preauthorized payment of any amounts due under this Agreement, or otherwise, by electronic transfer of funds from Franchisee's bank account to OFFC's bank account ("**ACH Withdrawal**"), in the form attached to this Agreement as Exhibit IV (the "**ACH Authorization**"), and (ii) the credit card charge authorization, which is attached to this Agreement as Exhibit V (the "**Credit Card Authorization**"); both of which are incorporated by this reference. Franchisee must also deliver the ACH Authorization to its applicable bank. OFFC may charge Franchisee's bank account or credit card, at OFFC's option, each month for the Royalty Fee, Advertising and Technology Fee, Job Fee, and/or any other fees or amounts owed to OFFC when due, including Noncompliance Service Charges, Insufficient Funds Fees (as defined in **Section 12.5.e**), and late fees and interest as described below. OFFC may require Franchisee to pay by means other than ACH Withdrawal or credit card payment, whenever OFFC deems appropriate, and Franchisee agrees to comply with OFFC's payment instructions and to execute any documents in conjunction with such payment means.

d. Franchisee must at all times during the term of this Agreement (including any renewal terms) maintain at least $5,000.00 in its bank account subject to the ACH Withdrawal and at least one credit card account in good standing and with a minimum available credit line of $5,000.00 covered by the Credit Card Authorization. The bank account and credit card must be dedicated exclusively to the OXI FRESH Business and not used for any other business or non-business purpose. Franchisee agrees to advise OFFC, within one business day thereafter, if Franchisee changes its bank account or transfers its bank account to another bank, or if any credit card listed in a Credit Card Authorization expires, if Franchisee or the issuer of the card closes the account, or if other changes are made to the credit card account. Franchisee further agrees, within three business days of such change or transfer, to execute and return to OFFC, and Franchisee's bank if applicable, a replacement ACH Authorization or Credit Card Authorization for a bank account or credit card meeting the requirements of this Agreement, listing the new bank account information or credit card information and all other information required.

e. Franchisee agrees that any time an ACH Withdrawal transaction, credit card transaction, or other payment method is not honored or effective, Franchisee shall pay OFFC an insufficient funds fee (the "**Insufficient Funds Fee**") equal to 3 percent of the actual amount due, in addition to any applicable late fees and interest in accordance with **Section 12.6**.

12.6. Late Fees; Interest.

To encourage prompt payment and to cover the costs and expenses involved in handling and processing late payments, Franchisee shall also pay to OFFC, upon demand, a late payment charge of $50.00 per fee owed to OFFC that is not received on or before the due date, or which cannot be charged to Franchisee's bank account or credit card on or before the due date because the bank account or credit card listed in Franchisee's ACH Authorization or Credit Card Authorization form has expired, been closed or cancelled, does not have sufficient funds or charge limit, or otherwise, plus interest equal to the lesser of (i) the maximum legal rate of interest then charged on open accounts or (ii) 1.5 percent per month, on all payments due to OFFC during the period of time said payments are due and unpaid. This same interest rate shall apply as the post-judgment interest rate, regardless of the applicable statutory rate, in the event of any legal actions related to this Agreement. However, if Franchisee fails to pay any fees or other amounts in furtherance of an Act of Deception (as defined in **Section 16.5** below), then the interest due shall be computed in accordance with the terms of **Section 16.5** below. The foregoing shall be in addition to any other remedies OFFC may possess, as permitted by law. Franchisee acknowledges that

this Section shall not constitute agreement by OFFC to accept such payments after they are due or a commitment by OFFC to extend credit to, or otherwise finance Franchisee's operation of its OXI FRESH Business. Further, Franchisee acknowledges that its failure to pay all amounts when due will constitute grounds for termination of this Agreement, as provided herein.

12.7. OFFC's Right to Apply Franchisee Payments.

Notwithstanding any designation by Franchisee, OFFC shall have the sole option to apply any payments by Franchisee to any past due indebtedness of Franchisee of any kind; including Royalty Fee, Advertising and Technology Fee, and Job Fee payments, purchases from OFFC and any of its affiliates, interest, or any other indebtedness.

12.8. Nonrefundable Fees.

Except as specifically contemplated in this Agreement, all fees once paid, shall be nonrefundable in all circumstances.

13. ADVERTISING

13.1. Local Advertising.

a. Franchisee is not required to spend any minimum amounts for local advertising, although OFFC strongly recommends that Franchisee conduct local advertising.

b. Franchisee may develop advertising materials for Franchisee's own use, at Franchisee's own cost. Before using any promotional and advertising materials, Franchisee will submit to OFFC or OFFC's designated agency, for OFFC's prior written approval, all information pertaining to such promotional materials and advertising developed by Franchisee; including, but not limited to, Yellow Pages or other telephone related materials, print ads, coupons, radio and television scripts, or Internet promotional materials. Franchisee agrees to comply with all of OFFC's advertising standards and specifications. Franchisee must obtain OFFC's approval of any advertising and promotional materials, signs, forms and stationary that Franchisee desires to use at least 30 days before the start of their usage, unless OFFC has prepared such materials, or approved such materials during the 12 months prior to their proposed use. Franchisee shall not use such materials until they have been approved by OFFC in writing and shall promptly discontinue use of any advertising or promotional materials upon the request of OFFC. Any materials submitted by Franchisee to OFFC that have not been approved or disapproved in writing, within 30 days of receipt thereof by OFFC, shall be deemed disapproved.

c. Franchisee shall create and submit to OFFC for its approval, at least 30 days prior to its implementation, a local advertising and marketing plan for each year of this Agreement. If Franchisee is granted multiple Franchises under this Agreement, Franchisee shall submit to OFFC for its approval, at least 30 days prior to implementation, a local advertising and marketing plan for each Franchise. Each plan must set forth Franchisee's planned placements of local advertising during the next 12-month period. Advertising by Franchisee may be in any media it desires, provided that such advertising conforms to the requirements for Focused Marketing and Broad Area Marketing set forth below, and the standards and requirements of OFFC as set forth in this Agreement, the Operations Manual, or as otherwise designated by OFFC. Franchisee shall not use such plans until they have been approved by OFFC in writing and shall promptly discontinue use of any advertising or promotional plans upon the request of OFFC. Any plans submitted by Franchisee to OFFC that have not been approved or disapproved in writing, within 30 days of receipt thereof by OFFC, shall be deemed disapproved.

d. Franchisee must refer to the Toll-Free Number and no other telephone number on any car wrap advertising and in all radio and television advertising for its OXI FRESH Business. Franchisee must refer to either the Toll-Free Number or the number for a Co-Op Line in all Internet advertising and, in OFFC's discretion, any other Broad Area Marketing. In all other advertising, Franchisee must refer to a Co-Op Line or Market Expansion Line telephone number and not the Toll-Free Number. Franchisee may not use or advertise any telephone number other than the Toll-Free Number, a Co-Op Line number, or a Market Expansion Line number in its OXI FRESH Business. OFFC may modify the requirements for which telephone numbers may or must be used in particular advertising situations through the Operations Manual.

e. Franchisee may not advertise its OXI FRESH Business in connection with any other business, except with OFFC's prior written approval, which approval may be withheld for any reason.

f. Focused Marketing and Broad Area Marketing materials distributed or displayed within a franchisee's own protected territory are not considered a solicitation with regard to customers outside of the franchisee's protected territory. If a customer located outside of the protected territory of a particular franchisee is exposed to advertising by that franchisee that is distributed or displayed in that franchisee's protected territory, and that customer later retains the services of that franchisee as a result of the advertising, that franchisee may provide those services to the customer regardless of the location of the customer.

13.2. Focused and Broad Area Marketing.

a. Franchisee, and other franchisees, may conduct Focused Marketing and Broad Area Marketing (both defined below) for their OXI FRESH Businesses in accordance with the terms set forth in this **Article 13** and the Operations Manual. **"Focused Marketing"** is marketing in which a franchisee has control over the specific location of the distribution or display of the marketing. Focused Marketing typically includes direct solo mailings sent by a franchisee, door hangings distributed by a franchisee, newspaper advertising where a franchisee can limit the area in which the newspaper containing its advertisements are distributed, Internet advertising where a franchisee can limit the display of the advertising to Internet users in a certain defined area, and billboard advertising. **"Broad Area Marketing"** is any other form of marketing, and includes (i) advertising performed via a mass medium, such as yellow page advertisements, radio and television commercials, and general Internet advertising not based on the location of the Internet user; and (ii) shared mailings such as Valpak, deal-of-the-day websites, other advertising websites such as Angie's List, crowdsourcing programs such as Groupon and Living Social, and other similar situations in which a third party provides advertising services based on its own predetermined territories or areas of distribution. Each area of distribution or display of Broad Area Marketing is referred to herein as a **"3rd Party Marketing Area."**

b. Franchisee may not conduct Focused Marketing outside of the Protected Territory or conduct Broad Area Marketing when the 3rd Party Marketing Area is located entirely outside of the Protected Territory. If Franchisee desires to conduct Broad Area Marketing for its OXI FRESH Business in a 3rd Party Marketing Area that includes all or a portion of the Protected Territory and an area outside of the Protected Territory, Franchisee must obtain the prior written consent of OFFC and comply with **Section 13.2.c** below to the extent applicable. OFFC may withhold its consent for any reason. Once consent is given, OFFC may withdraw the consent at any time by notice to Franchisee. Among other reasons, OFFC may refuse to consent to such Broad Area Marketing, or may withdraw its consent, if the portion of Franchisee's Protected Territory in the 3rd Party Marketing Area represents a disproportionately small percentage of the entire 3rd Party Marketing Area.

c. If Franchisee desires to conduct Broad Area Marketing for its OXI FRESH Business in a 3rd Party Marketing Area that includes some or all of the Protected Territory and the protected territory of another franchisee or franchisees of OFFC, in addition to the other requirements set forth in **Article 13**, Franchisee must first notify the other applicable franchisee(s) and provide the other franchisee(s) the opportunity to participate in the Broad Area Marketing program in exchange for paying a portion of the costs associated with the Broad Area Marketing. If Franchisee and the other applicable franchisee(s) elect to acquire another Co-Op Line as part of the Broad Area Marketing program, Franchisee and the other participating franchisee(s) shall be responsible for paying OFFC the portion of the Job Fee payable for that Co-Op Line as described in **Section 12.3**. OFFC may require the other franchisee(s), or if Franchisee receives a notice from another franchisee, require Franchisee, to participate in the Broad Area Marketing program. The costs of a Broad Area Marketing program may be apportioned based on the number of households in each franchisee's protected territory that is included in the applicable 3rd Party Marketing Area or on such other equitable basis as the applicable franchisees may determine, or if the applicable franchisees, including Franchisee, are unable to agree on the basis for allocation of such costs, as determined by OFFC in its sole discretion. Any decision of OFFC will be final and binding on Franchisee.

d. If Franchisee refuses to participate in a Broad Area Marketing program after receiving notice from OFFC that such participation is required, Franchisee will be default of this Agreement. In that case, OFFC may terminate this Agreement in accordance with **Section 18.2.e** below, or in lieu of OFFC terminating this Agreement, OFFC can authorize the other franchisee(s) to proceed with its or their Broad Area Marketing program. In that event, any customer in Franchisee's Protected Territory who retains the services of the other franchisee as a result of the Broad Area Marketing program shall be deemed the same as a customer resulting from a referral to or unsolicited inquiry of such other franchisee, and to whom the other franchisee may service in accordance with **Section 4.2.a**.

e. To the extent a 3rd Party Marketing Area includes the protected area of an OXI FRESH Business operated by OFFC itself or OFFC desires to engage in a Broad Area Marketing program for any OXI FRESH Business it operates, OFFC will be bound to the policy described above in this **Section 13.2**.

13.3. Local Advertising Group.

a. OFFC may establish a regional advertising cooperative ("**Local Advertising Group**") in a region that includes Franchisee's Protected Territory. If a Local Advertising Group is established that includes Franchisee's Protected Territory, Franchisee shall join and participate in it, and contribute to the local advertising pool established by the Local Advertising Group in accordance with the rules and regulations thereof (such contributions shall be made for each of Franchisee's Franchises with a Protected Territory located in the region of the Local Advertising Group). Each of OFFC's company-owned and affiliate-owned operations (if any) offering Products and Services similar to an OXI FRESH Business within the region for which the Local Advertising Group is established will make contributions to the Local Advertising Group on an equivalent basis to the contributions required of Franchisee.

b. If OFFC directs that Franchisee join a Local Advertising Group, OFFC may designate some or all of Franchisee's Advertising and Technology Fees be paid to that Local Advertising Group.

c. The rules of the Local Advertising Group must be in writing and established by its members, but must be submitted for prior approval to OFFC (and shall be deemed approved 30 days after submission if OFFC takes no action). All Local Advertising Groups shall provide quarterly financial reports to OFFC.

13.4. Advertising and Technology Fund.

a. OFFC will deposit the Advertising and Technology Fees in a separate bank account, commercial account or savings account (**"Advertising and Technology Fund"**). The Advertising and Technology Fund will be administered by OFFC, in its discretion. The Advertising and Technology Fund proceeds may be used for researching, preparing, maintaining, administering and directing advertising and promotional materials and public relations programs, including production of commercial print, radio, television, magazine, newspaper, Internet advertising, direct response literature, direct mailings, brochures, collateral materials advertising, surveys of advertising effectiveness, and other advertising or public relations expenditures, for any international, national, or regional media. The Advertising and Technology Fund proceeds may also be used to pay for the expenses related to researching, developing, implementing, servicing, and operating any technology used in any manner related to the System or OXI FRESH Businesses, including the Oxi Fresh Scheduling and Marketing System, or any other or new technologies utilized in or related to OFFC's Scheduling Center, OFFC's website, the Co-Op Lines, the Market Expansion Lines, the Toll-Free Number, search engine optimization, booking of jobs for OXI FRESH Businesses, reporting of information for OXI FRESH Businesses, the equipment and cleaning agents used in OXI FRESH Businesses, or OXI FRESH Business computer systems (collectively, the **"Technology"**). OFFC may reimburse itself from the Advertising and Technology Fund for administrative costs, including the salaries of public relations personnel or persons administering the advertising services, the salaries of persons providing services related to any Technology, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes and all other reasonable direct or indirect expenses that OFFC or its authorized representatives incur with the programs funded by the Advertising and Technology Fund. OFFC may use outside advertising and marketing agencies to create advertising material and outside companies or consultants to create and provide services for any Technology.

b. Upon request from Franchisee, OFFC will make available to Franchisee, no later than 120 days after the end of each calendar year, an annual unaudited financial statement for the Advertising and Technology Fund that shows how the Advertising and Technology Fund proceeds have been spent in the prior year.

c. All franchised, licensed and company-owned OXI FRESH Businesses will be required to pay on an equivalent basis into the Advertising and Technology Fund, except that OFFC, in its sole discretion, may designate some or all of the Advertising and Technology Fees of a franchised, licensed and company-owned OXI FRESH Business be paid to a Local Advertising Group instead of the Advertising and Technology Fund.

d. OFFC does not guarantee that advertising expenditures from the Advertising and Technology Fund will benefit Franchisee or any other franchisees directly or on a pro rata basis. OFFC assumes no direct or indirect liability or obligation to collect amounts due to the Advertising and Technology Fund or to maintain, direct or administer the Advertising and Technology Fund. Advertising and Technology Fees not spent in any fiscal year will be carried forward and spent in the ensuing fiscal year. If the advertising expenditure is more than the Advertising and Technology Fees collected during any calendar year, OFFC may loan funds to the Advertising and Technology Fund on such terms that are no more favorable than the Advertising and Technology Fund could receive from other lending sources

generally available to the Advertising and Technology Fund, and OFFC will be reimbursed from the Advertising and Technology Fees during the same or subsequent years to the extent of such advances. None of the Advertising and Technology Fees will be used for advertising that is primarily for solicitation for the sale of franchises.

e. OFFC is not obligated to spend any amount on advertising or Technology in the Protected Territory.

f. OFFC reserves the right to establish an advertising council composed of franchisees that advises OFFC on the Advertising and Technology Fund and/or other advertising matters, on such terms as OFFC shall establish. Once such an advertising council is created, OFFC may disband or terminate the council in its sole discretion.

g. Although OFFC intends the Advertising and Technology Fund to be of perpetual duration, OFFC reserves the right to terminate the Advertising and Technology Fund. OFFC will not terminate the Advertising and Technology Fund, however, until all monies in the Advertising and Technology Fund have been expended for advertising and promotional purposes.

h. OFFC has no fiduciary obligation to Franchisee in connection with the operation of the Advertising and Technology Fund. OFFC will not be liable for any act or omission with respect to the operation of the Advertising and Technology Fund or the use of the Advertising and Technology Fund that is consistent with this Agreement and is done in good faith.

i. Additional details of the Advertising and Technology Fund will be set forth in the Operations Manual and sent to Franchisee.

j. Once Franchisee makes contributions to the Advertising and Technology Fund, all such monies will be used as required by this Section and will not be returned to Franchisee.

13.5. Advertising Disputes.

In the event that there are any disputes between Franchisee and any other franchisee(s) or between Franchisee and OFFC regarding any advertising issues, including whether a particular form of marketing constitutes Focused Marketing or Broad Area Marketing, or issues related to a 3rd Party Marketing Area or apportionment of any Broad Area Marketing program costs, the determination of OFFC in its sole discretion will be binding upon the parties and final.

14. QUALITY CONTROL

14.1. Standards and Specifications.

OFFC will make available to Franchisee, via the Operations Manual, standards and specifications for materials used by, Products sold through, and Services offered through, Franchisee's OXI FRESH Business, which standards and specifications OFFC reserves the right to change upon 30 day prior written notice to Franchisee. Franchisee acknowledges and agrees that Franchisee's rights to operate the OXI FRESH Business pursuant to this Agreement are always subject to Franchisee's obligation to comply with OFFC's standards and specifications and the Licensed Methods. Franchisee is not restricted on the number of carpet cleaning machines or upholstery cleaning machines it may operate in the Protected Territory. If Franchisee offers grout and tile cleaning services, Franchisee must have one set of grout and tile brushes for each carpet cleaning machine Franchisee operates. If Franchisee offers hardwood floor

cleaning services, Franchisee must have a hardwood floor cleaning machine and hardwood floor cleaning agents as are specified by OFFC. OFFC and OFFC's representatives will have the right to discuss with Franchisee, or other personnel Franchisee may designate, including the Operations Manager, all matters that may pertain to compliance with this Agreement and with OFFC's standards, specifications, requirements, instructions and procedures. Franchisee shall in all respects cooperate with OFFC's rights under this Agreement. OFFC also reserves the right to contact any or all of Franchisee's customers, employees, suppliers, and other service professionals for quality control, market research and such other purposes as OFFC deems appropriate.

14.2. Restrictions on Services and Materials.

All services, equipment, inventory, materials and related items, forms, and other supplies used in the operation of an OXI FRESH Business shall conform to the specifications and quality standards established by OFFC from time to time. Franchisee shall purchase certain services, equipment, inventory, materials and related items, forms, and other supplies used in the operation of the OXI FRESH Business, as specified from time to time by OFFC, solely from suppliers approved by OFFC. If Franchisee desires to purchase any of these items from an unapproved supplier, Franchisee shall submit to OFFC a written request for approval of the supplier, or shall request that the supplier do so. OFFC shall have the right to require that its representatives be permitted to inspect the supplier's facility and that samples from the supplier be delivered at OFFC's option either to OFFC or to an independent consultant designated by OFFC for testing. A charge not to exceed the reasonable cost of the inspection and the actual cost of the testing shall be paid by Franchisee or the supplier. OFFC reserves the right, at its option, to re-inspect the facilities and products of the approved supplier, from time to time, and to revoke its approval upon the supplier's failure to continue to meet any of OFFC's standards and specifications. OFFC shall be entitled upon request, to periodically review inventory reports from Franchisee, including product identification and serial numbers, if applicable, for compliance with the foregoing requirements.

14.3. Minimum Purchase Obligations.

Franchisee acknowledges that one of its principal interests in acquiring an OXI FRESH Business franchise is to offer and sell the Services and Products of a consistent quality with those offered throughout the System. Customers expect OXI FRESH Businesses to offer the Services and Products of the type designated and approved by OFFC. To help ensure that Franchisee is offering, performing, and selling the Services and Products as approved by OFFC as described in this **Article 14**, Franchisee must spend no less than 3 percent of its Gross Revenues each full or partial calendar year on purchases of certain necessary equipment, inventory, materials and related items, forms, and other supplies as OFFC may periodically designate from OFFC and/or its designated suppliers (the "**Minimum Purchase Obligations**"). OFFC may, from time to time, change the products and suppliers subject to these Minimum Purchase Obligations upon notice to Franchisee. The prices charged to Franchisee by OFFC or the other suppliers shall be established by OFFC or the other suppliers, respectively, from time to time.

14.4. National and International Account Program.

OFFC has solicited and may continue to solicit businesses with locations in multiple geographic areas, including within the Protected Territory, to participate in OFFC's "**National and International Account Program**," or "**N&I Account Program.**" Unless waived by OFFC, Franchisee must participate in and comply with the rules of OFFC's N&I Account Program by providing services to N&I Account Program customers who have locations within the Protected Territory. Such rules may include requirements related to the types of services to be performed, additional training, the pricing for the services, the payment of any fees to OFFC for additional training, administering the N&I Account

Program, or referring customers, and a quality review by OFFC of the services Franchisee provides. These terms may vary depending upon the N&I Account Program customer. If Franchisee fails to comply with the terms for the N&I Account Program or if OFFC determines at any time that Franchisee has not provided a satisfactory level and quality of service to a customer under the N&I Account Program then Franchisee shall be in default of this Agreement and, in addition to all other remedies available to OFFC, OFFC may appoint another franchisee to perform any future services for that customer's locations within the Protected Territory. OFFC will have the right to solicit potential customers for the N&I Account Program within Franchisee's Protected Territory, including Franchisee's existing customers. Franchisee shall cooperate with and assist OFFC as requested in such solicitation.

15. TRADEMARKS, TRADE NAMES AND PROPRIETARY INTERESTS

15.1. Marks.

Franchisee acknowledges that OFFC's parent company, Barnett Enterprises Corp. ("**BEC**"), is the owner of, and OFFC is the licensee of, the service marks OXI FRESH®, OXI FRESH CARPET CLEANING®, and all of the other Marks, and that Franchisee's right to use them is derived solely from this Agreement and limited to the operation of its OXI FRESH Business in accordance with this Agreement. Some of the Marks may not be registered in the country, province, or state where the Protected Territory is located. Franchisee agrees that neither OFFC nor BEC shall have any obligation to register any of the Marks in any jurisdiction. Franchisee has no authority or right to register any of the Marks in any jurisdiction without OFFC's prior written consent. Franchisee may not use any Marks in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by OFFC. Franchisee agrees that its usage of the Marks and any goodwill established thereby shall inure to the exclusive benefit of OFFC. Franchisee shall not use the Marks in any manner calculated to represent that it is the owner of the Marks. Franchisee agrees not to contest or oppose, nor to assist anyone else to contest or oppose, OFFC's application for, or registration of, any of the Marks, or the validity or ownership of the Marks. Franchisee agrees not to directly or indirectly do or cause to be done, whether by commission or omission, any act, that may in any way jeopardize or adversely affect the validity or distinctiveness of the Marks, or the title of OFFC and BEC, thereto. Franchisee agrees that it will, without charge to OFFC, upon request by OFFC or its representatives, do all things and execute all documents that may at any time be necessary or desirable to protect or ensure the validity and distinctiveness of the Marks and to ensure the title of OFFC and BEC, thereto. Any unauthorized use of the Marks by Franchisee is a breach of this Agreement and an infringement of the rights of OFFC and BEC in and to the Marks.

15.2. No Use of Other Marks.

Franchisee agrees to use the mark "OXI FRESH" as the sole identification of its OXI FRESH Business. Franchisee agrees that it shall affix a notice in a conspicuous location in or upon the OXI FRESH Location (if Franchisee leases space outside of Franchisee's personal residence) with content and format acceptable to OFFC, that it is an independent franchisee of OFFC, and as such, an authorized user of the Marks, and that the owner of the Marks is OFFC.

15.3. Licensed Methods.

Franchisee acknowledges that OFFC owns and controls the distinctive plan for the establishment, operation and promotion of OXI FRESH Businesses and all related Licensed Methods. Franchisee acknowledges that much of the information contained in OFFC's Operations Manual, and any other manual or nonpublic written information about OFFC, and other confidential information provided to

Franchisee by OFFC, constitutes trade secrets of OFFC. Franchisee acknowledges that OFFC has valuable rights in and to such trade secrets. Franchisee further acknowledges that it has not acquired any right, title or interest in the Licensed Methods, except for the right to use the Licensed Methods in the operation of the OXI FRESH Business as it is governed by this Agreement.

15.4. OFFC's Rights to New Ideas.

All enhancements and improvements in the Licensed Methods developed by Franchisee shall be and become the sole and absolute property of OFFC. OFFC may incorporate such improvements or enhancements into the Licensed Methods and shall have the sole and exclusive right to copyright, register or patent such improvements in OFFC's own name and Franchisee shall have no right to use such enhancements and improvements, except as set forth in this Agreement. Franchisee shall promptly disclose all such enhancements and improvements to OFFC (whether or not requested by OFFC) in such detail as OFFC may from time to time request. Franchisee shall, without further consideration, but at the expense of OFFC, execute such documents and do such acts as may be necessary for OFFC to copyright, register or patent the enhancements or improvements in OFFC's own name in any country.

15.5. Copyrights.

Franchisee and OFFC acknowledge and agree that: (a) OFFC may authorize Franchisee to use certain copyrighted or copyrightable works (the "**Copyrighted Works**"); (b) the Copyrighted Works are the valuable property of OFFC; and (c) Franchisee's rights to use the Copyrighted Works are granted to Franchisee solely on the condition that Franchisee complies with the terms of this Section. Franchisee acknowledges and agrees that OFFC owns or is the licensee of the owner of the Copyrighted Works. Such Copyrighted Works include, but are not limited to, the Operations Manual, advertisements, and promotional materials, and may include all or part of the System, trade dress and other portions of an OXI FRESH Business. Franchisee acknowledges that this Agreement does not confer any interest in the Copyrighted Works upon Franchisee, other than the right to use them in the operation of its OXI FRESH Business in compliance with this Agreement. If OFFC authorizes Franchisee to prepare any adaptation, translation or work derived from the Copyrighted Works, or if Franchisee prepares any Copyrighted Works such as advertisements, poster or promotional material, Franchisee agrees that such adaptation, translation, derivative work or Copyrighted Work shall constitute a "work made for hire" as that term is defined in the Copyright Act, 17 U.S.C. § 101 et seq., and shall become the property of OFFC, and Franchisee assigns all its right, title and interest therein to OFFC (or such other person or entity identified by OFFC). Franchisee agrees to execute any documents, in recordable form, which OFFC determines are necessary to reflect such ownership. Franchisee shall submit all such adaptations, translations, derivative works and Copyrighted Works to OFFC for approval prior to use. Franchisee shall ensure that all Copyrighted Works used hereunder shall bear an appropriate copyright notice as specified by OFFC and specifying that OFFC is the owner of the copyrights therein.

15.6. Infringement.

Franchisee shall immediately notify OFFC in writing of any apparent infringement of or challenge to Franchisee's use of the Marks that it becomes aware of, and of any claim by any person of any right in the Marks or any similar trade name, trademark, or service mark of which Franchisee becomes aware. Franchisee shall not, in connection with any such infringement, challenge, or claim, directly or indirectly communicate with any person other than an officer of OFFC and its legal counsel. OFFC and/or its affiliated company shall have sole option to take, or not to take, any action as it deems appropriate as a result of any infringement, challenge, or claim. OFFC and/or its affiliated company shall have the right to exclusively control any litigation, U.S. Patent and Trademark Office proceeding or other

administrative proceeding arising out of such infringement, challenge or claim, or otherwise relating to the Marks. Franchisee agrees, at Franchisee's sole expense, to execute all instruments and documents, render such assistance, and do such acts and things, as may, in the opinion of OFFC's and/or its affiliated company's counsel, be necessary or advisable to protect and maintain the interests of OFFC and/or its affiliated company in any such litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding, or to otherwise protect and maintain the interests of OFFC and/or its affiliated company in the Marks.

15.7. Franchisee's Business Name and Internet Use.

Franchisee acknowledges that OFFC has a prior and superior claim to the Marks and OFFC's corporate name and trade names. Franchisee will not use the designation "OXI FRESH," "OXI FRESH CARPET CLEANING," "THE WAY MOTHER NATURE CLEANS," "THE WORLD'S GREENEST CARPET CLEANER," "THE WORLD'S GREENEST, CLEANEST CARPET CLEANER", or any other of the Marks, or any portions thereof, in the legal name of its corporation, partnership or other business entity, nor use any of such names, the Marks or trade names, or portions thereof, as part of an electronic mail address or on any sites on the Internet, without the prior written consent of OFFC, which consent may be conditioned upon Franchisee conditionally assigning the name to OFFC exercisable upon a default by Franchisee under, or termination of, this Agreement. Any sites established by Franchisee on the Internet and any changes subsequently made to those sites must be approved by OFFC prior to their establishment or change, which consent may be withheld for any reason. Franchisee shall not use any Internet domain names and/or home page addresses other than those operated by OFFC. The requirement for OFFC's prior approval set forth in this Section will apply to all activities on the Internet or other communications network to be conducted by Franchisee, except that Franchisee maintain one or more e-mail addresses (but Franchisee must use such e-mail addresses only for business of the OXI FRESH Business), and Franchisee may conduct individual e-mail communications without OFFC's prior written approval-provided that the address and communications comply with all of the requirements (including those pertaining to the use of the Marks) contained in this Agreement. Franchisee shall comply with OFFC's guidelines related to the use of any social networking or social media website, including but not limited to Facebook, Twitter, LinkedIn, or MySpace. Franchisee agrees to obtain OFFC's prior approval as provided above if it proposes to send advertising to multiple addresses via e-mail. Franchisee also agrees not to register or attempt to register any of the above names, the Marks or the trade names of OFFC, or any portions thereof as a trademark, service mark, or domain name on the Internet. During the term of this Agreement, OFFC may require that Franchisee post a sign at its OXI FRESH Location, and include a reference on its letterhead, contracts, business cards and/or other items, stating that it is an "authorized franchisee of Oxi Fresh Franchising Co., Inc.," or other language specified by OFFC. If local laws require that Franchisee file an affidavit or other registration indicating that it is conducting business under an assumed, fictitious or trade name, Franchisee shall state in such filing or affidavit that the same is made "as an authorized franchisee of Oxi Fresh Franchising Co., Inc."

15.8. Change of Marks.

Franchisee shall use and display the Marks and Copyrighted Works only as specified by OFFC. If it becomes advisable at any time in the opinion of OFFC for Franchisee to modify or discontinue use of any of the Marks or Copyrighted Works, or to use one or more additional or substitute names, Marks or Copyrighted Works, Franchisee agrees to comply with OFFC's directions within a reasonable time after notice to Franchisee by OFFC. OFFC shall have no liability or obligation whatsoever with respect to Franchisee's modification or discontinuance of the Marks. Franchisee agrees that any costs for modifying or changing the Marks will be borne by Franchisee and such modification or change of the Marks will be completed by Franchisee within a reasonable period of time after notification by OFFC.

15.9. Business Records.

Franchisee acknowledges and agrees that OFFC owns all records ("**Business Records**") with respect to customers and employees of, and/or related to, Franchisee's OXI FRESH Business; including, without limitation, all databases (whether in print, electronic or other form) with customer and potential customers, names, addresses, phone numbers, e-mail addresses, and customer purchase records, and all other records contained in the database. Franchisee further acknowledges and agrees that, at all times during and after the termination, expiration or cancellation of this Agreement, OFFC may access such Business Records, and may utilize, transfer, or analyze such Business Records as OFFC determines to be in the best interest of the System, in OFFC's sole discretion.

16. REPORTS, RECORDS AND FINANCIAL STATEMENTS

16.1. Franchisee Reports and Financial Statements.

Franchisee will establish and maintain at its own expense bookkeeping and accounting systems that conform to the specifications that OFFC may prescribe from time to time. Franchisee will supply to OFFC such records in a manner and form as OFFC may from time to time require including financial statements and balance sheets of Franchisee's OXI FRESH Business and Franchisee's most recent federal income tax returns, in a format prescribed by OFFC, within 15 days of Franchisee's receipt of a written request by OFFC for such information. If requested by OFFC, such financial statements shall be prepared by an independent certified public accountant in accordance with generally accepted accounting principles consistently applied. All reports and financial information to be furnished to OFFC must be signed by Franchisee or its Treasurer or Chief Financial Officer, attesting that the statement is true and correct, and prepared in accordance with the Operations Manual, this Agreement, and as otherwise specified in writing by OFFC. If Franchisee is granted multiple Franchises under this Agreement, OFFC may request financial statements and balance sheets for individual Franchises.

Franchisee shall submit to OFFC current financial statements and other reports as OFFC may request to evaluate or compile research and performance data on any operational aspect of its OXI FRESH Business. Franchisee authorizes OFFC to utilize this information to prepare a financial performance representation, to release this information as necessary to substantiate any financial performance representation made by OFFC, to share such information in summary form as OFFC deems necessary or desirable to share with other franchisees at any annual convention or other franchise business meetings, and to utilize this information in any other manner and with any other parties that OFFC deems appropriate without obtaining any further written consent of Franchisee. All financial information transmitted by Franchisee to OFFC pursuant to this Agreement shall be owned by OFFC as part of the Business Records as defined in **Section 15.9** above, with no duty on the part of OFFC to account to Franchisee with respect to the use and exploitation of the same.

16.2. Books and Records.

During the term of this Agreement, including any successor franchise terms, and for seven years thereafter, Franchisee shall retain full, complete and accurate records of all sales, marketing activities, closeout sheets, payroll, and accounts payable in accordance with the standard accounting system described by OFFC in the Operations Manual or otherwise specified in writing by OFFC. If Franchisee is granted multiple Franchises under this Agreement, Franchisee shall maintain separate records for each Franchise.

16.3. Audit of Books and Records.

From the date Franchisee and OFFC sign this Agreement until three years after the expiration or termination of this Agreement, including any successor franchises, OFFC or OFFC's authorized agent shall have the right to request, receive, inspect and audit any of the business records, financial or otherwise, of Franchisee or any party affiliated with Franchisee, including but not limited to Franchisee's Operations Manager, other owners, guarantors, officers, directors, or Authorized Representatives, any immediate family members of Franchisee or of such affiliated parties, or any companies or entities associated with Franchisee or such affiliated parties, that OFFC in its sole discretion determines may be relevant in determining the business results of Franchisee's OXI FRESH Business; such as verifying that Franchisee has paid all fees and other amounts owed to OFFC based on the revenues of Franchisee or otherwise. Inspections and audits conducted at the OXI FRESH Location may take place without prior notice. OFFC may also require at any time the records from Franchisee or its affiliated parties be sent to OFFC's offices or another location to permit the inspection or audit of such records to be conducted at OFFC's place of business or the other location. If OFFC notifies Franchisee that documents are to be sent to a location other than the OXI FRESH Location for the purpose of conducting an inspection or audit at that location, Franchisee shall provide the requested documents to OFFC within the time period set forth in OFFC's notice. Franchisee will be responsible for any expenses associated with collecting and delivering any documents requested by OFFC for its inspection or audit. Franchisee agrees that OFFC will have the right to inspect and audit any records of Franchisee or any affiliated party that OFFC determines to be relevant in its sole discretion, which records may include, in addition to those referred to above, (i) tax returns; (ii) quarterly and/or annual financial statements, including profit and loss statements and balance sheets; (iii) copies of checks, check ledgers and bank statements for checking and savings accounts; (iv) all contracts or agreements entered into by Franchisee and any third parties related to its OXI FRESH Business, including but not limited to contracts with customers; and (v) any other documents requested by OFFC. OFFC may inspect and audit documents covering a period beginning with the date on which Franchisee first acquired its OXI FRESH Business and ending on the date such audit is concluded. All documents provided for OFFC's inspection or audit must be certified by Franchisee and the appropriate affiliated party, if applicable, as true, complete and correct. Should any inspection or audit disclose a deficiency in the payment of any amounts required to be paid or spent under this Agreement, Franchisee shall pay the deficiency to OFFC immediately, without prejudice to any other remedy of OFFC under this Agreement. In addition, if such deficiency for any audit period equals or exceeds 2 percent of the correct amount of any amounts required to be paid or spent under this Agreement during that audit period, or if Franchisee fails to submit any statements or reports required hereunder to OFFC (including by failing to use the Scheduling Center to schedule Franchisee's jobs or to close out all job orders scheduled), and OFFC conducts an audit of Franchisee's books and records, Franchisee will also pay to OFFC the entire cost of the inspection or audit including travel, lodging, meals, salaries and other expenses of the inspecting or auditing personnel immediately.

16.4. Failure to Comply with Reporting Requirements.

If Franchisee's records and procedures, including any information reported through the Scheduling Center, are insufficient to permit a proper determination of Gross Revenues for purposes of the Advertising and Technology Fee, OFFC shall have the right to deliver to Franchisee an estimate, made by OFFC, of Gross Revenues for the period under consideration, and Franchisee shall pay to OFFC any amount shown thereby within five days of the date of the notice. Any such estimate shall be deemed the minimum amount of Advertising and Technology Fees due for the required reports, and Franchisee shall remain liable for all Advertising and Technology Fees in excess of such amounts once the actual Gross Revenues related to such reports are determined. In addition, if Franchisee's failure constitutes an Act of Deception, then OFFC will have the right to proceed in accordance with **Section 16.5**.

16.5. Acts of Deception.

Notwithstanding anything to the contrary contained in this Article, if a breach occurs under **Sections 11.1.c, 12.1, 12.2, 12.3, 12.5, 16.1, 16.2,** or **16.3,** due to Franchisee failing to pay or report to OFFC any sales or other financial information or information regarding jobs performed pursuant to the terms established hereunder; if Franchisee underpays any amounts owed to OFFC, including amounts discovered in an audit of Franchisee's books and records; or provides reports to OFFC that are incomplete, inaccurate or misleading in any respect, and said breach remains uncured for 25 days or more after notice has been given, said act shall be deemed a deceptive act by Franchisee to prevent OFFC from receiving its fees based on the Gross Revenues of Franchisee's OXI FRESH Business and other fees due OFFC by Franchisee (an "**Act of Deception**"). The occurrence of an Act of Deception will result in serious damage to OFFC and the System in that it would (i) result in OFFC receiving less compensation than it is entitled; (ii) result in substantial costs to OFFC in responding to the Act of Deception, based on the need to research Franchisee's activities, contact third parties, coordinate an audit, and/or take other actions; (iii) demand substantial effort and attention of OFFC's representatives, in turn diverting their attention from their ordinary duties devoted to OFFC and its services for the OFFC franchise system; and (iv) encourage other franchisees of OFFC to engage in similar acts, thereby contributing to a general atmosphere of noncompliance within the OFFC franchise system. At the same time, OFFC and Franchisee acknowledge and agree that these damages, due to their nature, would be difficult to quantify. Therefore, upon discovery of an Act of Deception by OFFC, Franchisee shall pay OFFC as liquidated damages and not as a penalty, 100 percent of Franchisee's gross income from the entire applicable sale or sales involved in the Act of Deception, together with any late fees in accordance with **Section 12.6** of this Agreement, plus interest at the rate of 2.5 percent per month or the highest rate allowable by applicable law, whichever is less, on such amount from the first date any fees arising from such sales were due to OFFC. With respect to an Act of Deception, this interest provision shall supersede any other interest provision in this Agreement. This same interest rate shall apply as the post-judgment interest rate, regardless of the applicable statutory rate, in the event of any legal actions related to an Act of Deception under this Agreement. Additionally, once an Act of Deception is discovered, OFFC or its designated representatives may conduct an inspection or audit of the records of Franchisee or any of its affiliated parties as stated in **Section 16.3** above, provided, however, that any inspection or audit conducted as a result of the discovery of an Act of Deception shall be performed at Franchisee's sole cost and expense and shall be conducted at any time of OFFC's choosing. OFFC shall provide written notice to Franchisee of its election to conduct an audit of Franchisee's books and records pursuant to this Section and upon receipt of such written notice, Franchisee shall immediately pay to OFFC $15,000.00 (the "**Audit Fee**"), which Audit Fee shall be utilized by OFFC to offset the costs and expenses incurred by OFFC or its designated representatives in conducting such audit. If the final costs and expenses of the audit are less than the Audit Fee, OFFC shall either, in its sole discretion, refund the excess portion of the Audit Fee to Franchisee or offset such excess portion of the Audit Fee against other amounts determined to be due to OFFC or which become due to OFFC in the future. If the actual cost of the audit exceeds the Audit Fee, Franchisee shall pay OFFC the excess amount within 10 days of written notice of the deficiency and demand for payment. Failure on the part of Franchisee to pay the excess amount shall be deemed a continuing default of Franchisee under this Agreement.

16.6. Financial Information from Third Parties.

Franchisee authorizes OFFC to make inquiries of Franchisee's bank, suppliers and trade creditors concerning Franchisee's OXI FRESH Business, and agrees to direct such persons and companies to provide to OFFC such information and copies of documents pertaining to its OXI FRESH Business as OFFC may request.

17. TRANSFER

17.1. Transfer by OFFC.

Franchisee acknowledges that OFFC's obligations under this Agreement are not personal, and OFFC can unconditionally transfer, on its own discretion, this Agreement to another corporation or any other party, including the operator of a competing franchise system. Franchisee further acknowledges and agrees that OFFC may sell its assets, the Marks or the System to any third party of OFFC's choice; or may terminate or cease to exist or dissolve, in any such case without Franchisee's consent, and provided the transferee expressly assumes and undertakes to perform OFFC's obligations in all material respects, free of any responsibility or liability whatsoever to Franchisee after the transaction occurs. With regard to any such sale, transfer, assignment or disposition, Franchisee expressly and specifically waives any claims, demands, or damages against OFFC arising from or related to the transfer of the Marks or the System from OFFC to any other party.

17.2. Transfer by Franchisee.

Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee. Accordingly, OFFC will not allow or permit any transfer, assignment, subfranchise or conveyance of this Agreement, any interest in this Agreement (including any individual Franchise granted under this Agreement if Franchisee is granted multiple Franchises under this Agreement), all or any part of the Franchisee if the Franchisee is a business entity, or all or a substantial portion of the assets of the OXI FRESH Business (each, a "**Transfer**"), except in compliance with **Section 17.3**. The term "Transfer," as used in this Agreement, means and includes the voluntary, involuntary, direct or indirect transfer, assignment, sale, gift or other similar disposition. Any unauthorized sale, assignment, transfer or other conveyance, by operation of law or otherwise, or any attempt to do so, shall be deemed void and, at the option of OFFC, grounds for termination of this Agreement by OFFC.

17.3. Pre-Conditions to Franchisee's Transfer.

No Transfer will be approved by OFFC or be effective unless and until Franchisee and the transferee obtain OFFC's written consent and all the following conditions are satisfied:

a. Franchisee is in full compliance herewith and pays to OFFC all outstanding debts or amounts owing to OFFC.

b. In OFFC's sole discretion, the transferee executes OFFC's then current Franchise Agreement (which shall have a term equal to the remainder of Franchisee's term, but which may contain provisions substantially different from those contained herein), and such other documents then customarily used by OFFC to grant franchises, and all other documents as may be requested by OFFC.

c. Franchisee pays OFFC either a transfer fee ("**Transfer Fee**") or a resale assistance fee ("**Resale Assistance Fee**") depending on whether OFFC identifies the proposed transferee of this Agreement. If Franchisee or another party, not acting on behalf of OFFC, identifies the proposed transferee, Franchisee or the proposed transferee shall pay OFFC a nonrefundable Transfer Fee of $4,000.00. If OFFC or a party acting on behalf of OFFC identifies the proposed transferee, Franchisee shall pay to OFFC a nonrefundable Resale Assistance Fee equal to 30 percent of the total consideration Franchisee receives upon the Transfer of this Agreement, including without limitation, the purchase price

for the assets of the OXI FRESH Business or for the ownership interest in Franchisee, any amounts designated as consulting fees or other fees, the amounts for any blue sky or goodwill, the amounts for any lease arrangements, and other similar costs, compensation, fees or payments, however designated, and whether to be paid in a lump sum or financed; provided that such Resale Assistance Fee shall not in any event be less than $10,000.00 nor more than $20,000.00. The Transfer Fee or Resale Assistance Fee shall be payable to reimburse OFFC for its reasonable legal, marketing, sales, accounting, credit and investigation expenses incurred as a result of the proposed Transfer. OFFC shall not charge transferee an Initial Franchisee Fee. If Franchisee is transferring multiple Franchises granted under this Agreement, Franchisee must pay the Transfer Fee and/or Resale Assistance Fee, as applicable, for each individual Franchise.

d. Except where prohibited by law, Franchisee executes a general release in favor of OFFC, including its shareholders, officers, directors, agents and employees, from all claims and potential claims of Franchisee.

e. The transferee purchases all of Franchisee's assets used in its OXI FRESH Business in accordance with all applicable bulk sales rules and regulations and assumes all of the liabilities of the OXI FRESH Business, unless such liabilities have been paid prior to the closing of the transaction or unless the sale is a sale of shares in the capital stock of Franchisee. The transferee must agree to be responsible at its sole expense for honoring and accepting any credits, gift cards or certificates, discounts including deal-of-the-day and crowdsourcing discounts, special offers, prizes, and any other promotional offers made by Franchisee related to the OXI FRESH Business.

f. If OFFC determines that training of the proposed transferee is required, the proposed transferee attends, at its own expense, and successfully completes (to OFFC's satisfaction) OFFC's initial training program and pays a nonrefundable training fee of $1,000.00 (the "**Training Fee**"). If Franchisee is transferring multiple Franchises granted under this Agreement to multiple transferees, OFFC may require that each transferee attend OFFC's initial training program and pay a Training Fee.

g. The parties to the proposed transaction shall have entered into a bona fide binding agreement (a "**Purchase Offer**"), subject only to the rights of OFFC. OFFC shall be furnished a copy of this Purchase Offer, and such Purchase Offer shall be subject to OFFC's written approval, and the Right of First Refusal reserved to OFFC as specified in **Section 17.6** below. Franchisee must advise each prospective transferee of this provision and the other terms of this Agreement. Franchisee agrees to provide the proposed transferee, if appropriate, with such disclosure documents and other information as may be required by applicable law.

h. If the transferee is a corporation, partnership, limited liability company or other legal entity, the transferee and its stockholders, partners, members or owners of a beneficial interest in the transferee have complied with **Section 11.3** above.

i. The proposed transferee has demonstrated to OFFC's satisfaction that it, he or she will meet in all respects OFFC's standards applicable to new franchisees regarding experience, personal and financial reputation and stability, willingness and ability to devote its, his or her best efforts to the operation of the OXI FRESH Business being transferred, and any other conditions as OFFC may apply in evaluating new franchisees. All required conditions will be provided by OFFC to the proposed transferee at time of notification of desire to transfer. OFFC must be provided all information about the proposed transferee as OFFC may require. No Transfer to a competitor of OFFC will be permitted.

j. Franchisee agrees that OFFC has the right to confer with prospective transferees and furnish them with information regarding Franchisee's OXI FRESH Business, this Agreement, and the proposed transfer without being held liable to Franchisee, except for intentional misstatements made to a prospective transferee.

k. If Franchisee is transferring less than all of the Franchises granted under this Agreement, Franchisee and OFFC shall enter into an amended Addendum to Franchise Agreement to replace that Addendum to Franchise Agreement attached as Exhibit I, to reflect that reduction of the number of Franchises, Protected Territories, and Royalty Fee and other fees.

17.4. Waiver of Transfer Fees.

OFFC will waive the Transfer Fee and Resale Assistance Fee set forth in **Section 17.3.c**, the Training Fee set forth in **Section 17.3.f**, and the Right of First Refusal in **Section 17.6**, in regard to the following Transfers, although all other requirements set forth in this **Article 17** shall apply:

a. If Franchisee is a business entity, a Transfer of less than 25 percent of the ownership interest in the Franchisee business entity. If there are multiple Transfers that result in a total Transfer of 25 percent or more of the ownership interest in the Franchisee business entity, then this **Section 17.4** will no longer apply and Franchisee shall immediately comply with all requirements of this **Article 17**.

b. If Franchisee is one or more individuals, a Transfer from such individual or individuals to a business entity in which they own not less than 75 percent of the total stock, membership interests, partnership interests or other ownership interests, and which is actively managed by them, so long as this Agreement is not signed as part of Franchisee's exercise of successor franchise rights and such transfer occurs no later than 45 days following the date of this Agreement.

17.5. Franchisee's Death or Disability.

a. If Franchisee is an individual, upon the death or permanent disability of Franchisee, or if Franchisee is an entity, upon the death or permanent disability of the Operations Manager, the rights granted by this Agreement may pass to the next of kin or legatees, provided that Franchisee's or Operations Manager's legal representatives shall within 90 days from the date of death or permanent disability of Franchisee or the Operations Manager apply in writing to OFFC for the right to transfer to the next of kin or legatee the rights under this Agreement or the ownership interest of the entity. The proposed transferees must meet each of the requirements set forth in this **Article 17** within 30 days of the receipt of a conditional approval for the transfer, except that, in a Transfer under this Section, there will be no Transfer Fee or Resale Assistance Fee charged by OFFC pursuant to **Section 17.3.c**. For purposes hereof, the term "permanent disability" will mean a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Franchisee or the Operations Manager from supervising the management and operation of the OXI FRESH Business for a period of 90 days from the onset of such disability, impairment or condition. If the legal representatives do not comply with the provisions of this Section, or do not propose a transferee acceptable to OFFC under the standards set forth in this Agreement, all rights licensed to Franchisee under this Agreement will terminate immediately and automatically revert to OFFC. During the 90-day period following Franchisee's or Operations Manager's death or permanent disability in which the legal representative may apply for the right to transfer the rights under this Agreement, the legal representative(s) may continue to operate the Franchise(s), provided that operation is conducted in accordance with the terms of this Agreement and any other agreements with OFFC.

b. In order to prevent any interruption of the business of Franchisee's OXI FRESH Business that might cause harm to the business and thereby depreciate the value thereof, Franchisee authorizes OFFC, in the event that Franchisee is incapacitated or dies, and is not, therefore, in the sole judgment of OFFC, able to operate the OXI FRESH Business hereunder, to operate the business for so long as OFFC deems necessary and practical, and without waiver of any other rights or remedies OFFC may have under this Agreement; provided, however, that if OFFC does commence to operate the Franchise, OFFC shall not be obligated to operate the Franchise for a period of more than 90 days. All monies from the operation of the business during such period of operation by OFFC shall be kept in a separate account and the expenses of the business, including reasonable compensation and expenses for OFFC's representatives, shall be charged to that account. If, as herein provided, OFFC temporarily operates the OXI FRESH Business, Franchisee agrees to indemnify and hold OFFC and any representative of OFFC who may act hereunder harmless from any and all claims arising from the acts and omissions of OFFC and its representative arising therefrom.

17.6. OFFC's Right of First Refusal.

If Franchisee desires to Transfer, in whole or in part, the OXI FRESH Business, Franchisee shall obtain a bona fide, executed, written Purchase Offer from a responsible, arms-length, and fully disclosed purchaser for the OXI FRESH Business and other assets used by Franchisee in its OXI FRESH Business. Franchisee shall submit an exact copy of the Purchase Offer to OFFC, which shall, for a period of 30 days from the date of delivery of such offer to OFFC, have the right, but not the obligation, exercisable by written notice to Franchisee, to purchase all of the OXI FRESH Business and the assets of Franchisee (the **"Right of First Refusal"**), for the price and on the terms set forth in the Purchase Offer, subject to the provisions of this **Article 17** and provided that:

a. there shall be deducted from the purchase price the amount of any commissions or fees that would otherwise have been payable to any broker, agent or other intermediary in connection with the sale of such property to the offeree; and

b. OFFC shall have the right to substitute cash for any other form of consideration specified in the Purchase Offer and to pay in full the entire purchase price at the time of closing.

If OFFC does not exercise its right of first refusal, the offer may be accepted by Franchisee or its owners but only upon the same terms and conditions as proposed to OFFC, and subject to the other requirements set forth in this **Article 17**. If the sale to such purchaser is not completed within 60 days after delivery of such offer to OFFC, OFFC shall again have the Right of First Refusal.

17.7. Post-Transfer Obligations.

With and after each valid Transfer of this Agreement pursuant to this **Article 17**, the transferee or transferees of Franchisee shall be deemed to be the Franchisee under this Agreement and will be bound by and liable for all of Franchisee's existing and future obligations. No owner in any business entity that becomes Franchisee shall have any rights under this Agreement by reason of his, her or its ownership. The transferor shall comply with those requirements set forth in **Section 18.5**.

18. DEFAULT AND TERMINATION

18.1. Termination by OFFC-Effective Upon Notice.

OFFC shall have the right to terminate this Agreement and all rights granted Franchisee hereunder, subject to the provisions of applicable law governing franchise termination and renewal, effective upon receipt of notice by Franchisee, upon the occurrence of any of the following events:

a. Unauthorized Disclosure. Franchisee intentionally or negligently discloses to any unauthorized person the contents of, or any part of, OFFC's Operations Manual or any other trade secrets or confidential information of OFFC.

b. Abandonment. Franchisee voluntarily abandons the OXI FRESH Business for a period of 15 consecutive days, or any shorter period that indicates an intent by Franchisee to discontinue operation of its OXI FRESH Business; unless such abandonment is due to fire, flood, earthquake or other similar causes beyond Franchisee's control and not related to the availability of funds to Franchisee.

c. Insolvency; Assignments. Franchisee or any of its guarantors becomes insolvent or is adjudicated a bankrupt; or any action is taken by Franchisee or any of its guarantors, or by others against Franchisee or a guarantor under any insolvency, bankruptcy or reorganization act; or Franchisee or any of its guarantors makes an assignment for the benefit of creditors, or a receiver is appointed for Franchisee or a guarantor.

d. Unsatisfied Judgments; Levy; Foreclosure. Any material judgment (or several judgments which in the aggregate are material) is obtained against Franchisee and remains unsatisfied or of record for 30 days or longer (unless a supersedeas or other appeal bond has been filed); or execution is levied against the OXI FRESH Business or any of the property used in the operation of the OXI FRESH Business and is not discharged within five days; or the real or personal property of the OXI FRESH Business is sold after levy thereupon by any sheriff, marshal or constable.

e. Criminal Conviction. Franchisee, or, if Franchisee is an entity, any owner of greater than 25 percent of the Franchisee entity, is convicted of a felony, a crime involving moral turpitude, a crime related to its OXI FRESH Business, or any crime or offense that is likely, in the sole opinion of OFFC, to materially and unfavorably affect the System, Marks, goodwill or reputation thereof.

f. Repeated Noncompliance. Franchisee receives three notices of default with respect to Franchisee's obligations hereunder from OFFC during the term of this Agreement, regardless of whether the defaults were cured by Franchisee.

g. Unauthorized Transfer. Franchisee sells, transfers or otherwise assigns the OXI FRESH Business, an interest in its franchise or the Franchisee entity, this Agreement, the OXI FRESH Business or a substantial portion of the assets of the OXI FRESH Business owned by Franchisee without complying with the provisions of this Agreement.

h. Condemnation or Loss of OXI FRESH Location. Franchisee loses possession or the right of possession of all or a significant part of the OXI FRESH Location through condemnation, casualty, lease termination or mortgage foreclosure and the OXI FRESH Business is not relocated or reopened within 60 days of such loss of possession or condemnation or casualty.

i. **Contesting Ownership of Marks.** Franchisee contests in any court or proceeding the validity of, or OFFC's ownership of, the Marks.

j. **Unauthorized Entity Action.** Franchisee is a corporation or other business entity and any action is taken which purports to merge, consolidate, dissolve or liquidate such entity without OFFC's prior written consent.

k. **Failure to Complete Training.** Franchisee fails to successfully complete OFFC's Initial Training Program or Advanced Training Program.

l. **Improper Business Practices.** OFFC determines that Franchisee: engaged in an act of fraud with respect to its rights or obligations under this Agreement; engaged in false advertising; engaged in any activity that has a material adverse effect on OFFC, the System, and/or the Marks; failed to submit sales or other financial information to OFFC or intentionally submitted incorrect sales or other financial information to OFFC; failed to comply with applicable laws, regulations and ordinances; or engaged in any other business from the OXI FRESH Location.

m. **Sexual Harassment or Discrimination.** OFFC receives credible evidence, which it verifies to its satisfaction, that Franchisee, its Operations Manager, or any other management level employee of Franchisee, has sexually harassed or intimidated any individual or intentionally engaged in any racial, ethnic, religious, sexual, or other offensive discrimination against any individual or group.

n. **Material Misrepresentation.** Franchisee has made a material misrepresentation in its application to own and operate the Franchise.

o. **Act of Deception.** Franchisee has committed an Act of Deception, as defined in **Section 16.5**.

p. **Violation of Covenant Not to Compete or Other Restrictive Covenant.** Franchisee or any of the Franchisee Affiliates (as defined in **Section 20.1**) violates the covenant not to compete or any other restrictive covenant contained in **Article 20** below.

q. **Executive Order 13224; Patriot Act.** Franchisee, or any officer, director, member, manager, or partner of Franchisee (as applicable), or the Operations Manager, violates or becomes subject to United States Executive Order 13224 or The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**Patriot Act**").

r. **Breach of Other Agreement.** Franchisee breaches the terms of any other agreement between OFFC and Franchisee and fails to cure said breach during any applicable cure period provided in the other agreement.

s. **Inadequate Guaranties.** Any guaranty of this Agreement fails to be a continuing obligation fully enforceable against the guarantor signing the guaranty, or there is any inadequacy of the guaranty or guarantor and the guarantor is unable to provide adequate assurances as required by OFFC.

18.2. Termination by OFFC with Prior Notice.

OFFC shall have the right to terminate this Agreement and all rights granted Franchisee hereunder, subject to the provisions of applicable law governing franchise termination and renewal, effective after the specified number of days after delivery of written notice by OFFC to Franchisee:

a. Failure to Make Payments. Franchisee fails to pay any amounts due OFFC or affiliates, including the Initial Franchise Fee, the Commercial/Pull System Training Fee, the Royalty Fee, the Advertising and Technology Fee, the Noncompliance Service Charge, and all other fees or sums owed to OFFC within 10 days after receiving notice that such fees or amounts are overdue.

b. Misuse of Marks. Franchisee misuses or fails to follow OFFC's directions and guidelines concerning use of the Marks and fails to correct the misuse or failure within 10 days after notification from OFFC.

c. Failure to Submit Reports or Requested Information. Franchisee fails, or refuses, to submit any report, financial statement, tax return, schedule or other information or supporting records required herein, within 10 days after notification from OFFC.

d. Filing Non-Compliant Legal Action. Franchisee or any of the Franchisee Affiliates files or otherwise commences litigation, arbitration, or any other legal action against OFFC or any of the OFFC Affiliates, as defined in **Section 22.1**, that is not in compliance with the dispute resolution terms agreed upon in **Article 22** as may be modified by any applicable rider in Exhibit VI, and fails to dismiss such action within seven days after notification from OFFC.

e. All Other Defaults Under Agreement. In addition to the foregoing termination rights, OFFC shall have the right to terminate this Agreement (subject to any applicable laws to the contrary, where such applicable law shall prevail), effective upon 30 days' written notice to Franchisee, if Franchisee breaches any other provision of this Agreement and fails to cure the default during such 30-day period. In that event, in OFFC's sole discretion this Agreement will terminate without further notice to Franchisee, effective upon expiration of the 30-day period. Notwithstanding the foregoing, if the breach is curable, but is of a nature which cannot be reasonably cured within such 30-day period and Franchisee has commenced and is continuing to make good faith efforts to cure the breach during such 30-day period, Franchisee shall be given an additional reasonable period of time to cure the breach.

18.3. Termination by OFFC for Continuing Force Majeure Events.

OFFC shall have the right at its option to terminate this Agreement and all rights granted Franchisee hereunder, subject to the provisions of applicable law governing franchise termination and renewal, effective upon receipt of notice by Franchisee, in the event of a force majeure event as described in **Section 23.17** below that occurs and continues for a period of six consecutive months or longer and which prevents OFFC from performing its obligations hereunder.

18.4. Termination by Franchisee.

Franchisee shall have the right to terminate this Agreement as the result of a material breach of this Agreement by OFFC, provided Franchisee is in full compliance with this Agreement and provides OFFC with written notice of the breach within 30 days of the breach and a reasonable opportunity to cure such breach, which shall in no event be less than 90 days.

18.5. Obligations of Franchisee Upon Termination or Expiration.

Franchisee agrees that upon termination or expiration of this Agreement Franchisee shall do all of the following:

a. Pay within 10 days of the effective date of termination or expiration of this Agreement all amounts owed to OFFC, the landlord of the OXI FRESH Location (if applicable) and Franchisee's trade and other creditors that are then unpaid. In the event of a termination due to a default by Franchisee, the amounts owed to OFFC shall include an amount equal to the Royalty Fees that would have been payable for each month from the date of termination until the earlier of (i) three years following the date of termination, or (ii) the expiration date that would apply to this Agreement had it not been terminated. All periodic payments to OFFC shall be deemed to accrue daily, shall be adjusted accordingly, and shall include interest at the rate of 18 percent per annum or the highest rate permitted by law, whichever is lower. This same interest rate shall apply as the post-judgment interest rate, regardless of the applicable statutory rate, in the event of any legal actions related to this Agreement.

b. Immediately discontinue the use of all Marks, signs, stationary, structures, forms of advertising, telephone listings and service, the Operations Manual, training aids, customer lists, computer software and media, business records, files, instructions, brochures, correspondence, all confidential information of OFFC, and all materials and Products and Services of any kind which are identified or associated with the System and/or any of the Marks, and return all these materials and products to OFFC, at Franchisee's sole cost and expense. Neither Franchisee nor any party associated with Franchisee will retain any copy or record of the foregoing, excepting only Franchisee's copy of this Agreement and any correspondence between the parties hereto, and any other documents which Franchisee reasonably needs for compliance with any provision of law.

c. Immediately notify all listing agencies, Internet service providers, and social media website operators, and, if applicable, the telephone company, of the termination or expiration of Franchisee's right to use any classified or other telephone directory listings, domain names, social media websites or accounts, and, if applicable, telephone numbers, associated with the Marks, and authorize the transfer of them to OFFC or any new franchisee as directed by OFFC. Franchisee acknowledges as between OFFC and Franchisee, OFFC has the sole rights to, and interest in, all directory listings, web addresses, domain names, social media websites and accounts, and telephone numbers used by Franchisee to promote its OXI FRESH Business and/or associated with the Marks. Franchisee irrevocably appoints OFFC, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest, to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. Should Franchisee fail or refuse to do so, all Internet service providers, listing agencies, social media website operators, and the telephone company may accept such direction in this Agreement as conclusive evidence of the exclusive rights of OFFC in such e-mail addresses, domain names, directly listings, social media websites and accounts, and telephone numbers; and its authority to direct their transfer.

d. Immediately cease to operate the OXI FRESH Business and make no representation nor state that Franchisee is in any way approved, endorsed or licensed by OFFC or associated or identified with OFFC or the System in any manner.

e. Immediately take all steps necessary to amend or terminate any registration or filing of any d/b/a or business name or fictitious name or any other registration or filing containing the Marks, so as to delete the Marks and all references to anything associated with the System.

f. If Franchisee continues to operate or subsequently begins to operate any other business after termination or expiration of this Agreement, Franchisee shall not use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or in the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute OFFC's exclusive rights in and to the Marks, and Franchisee further agrees not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with OFFC or a former association or connection with OFFC.

g. Unless OFFC exercises its right to assume and enter into the lease for the OXI FRESH Location as set forth in **Section 18.9** below, Franchisee shall immediately make such modifications for alterations to the premises of the OXI FRESH Location as may be necessary to distinguish the appearance of the premises from that of an OXI FRESH Business, and Franchisee shall make such specific additional changes to the premises as OFFC may request for that purpose. In the event Franchisee fails or refuses to comply with this requirement, OFFC shall have the right to enter upon the premises, without being guilty of trespassing or any other tort, for the purpose of making or causing to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee agrees to pay upon demand.

h. Immediately shut down any website operated by Franchisee to promote the OXI FRESH Business and assign and transfer all web addresses used by Franchisee for the same purpose.

i. Comply with the provisions of this Agreement that survive termination or expiration of this Agreement, including in particular, the restrictive covenants in **Article 20**.

18.6. OFFC's Right to Suspend Services on Franchisee's Default.

If OFFC has provided Franchisee with a notice of any default pursuant to this **Article 18,** in addition to OFFC's other remedies, OFFC reserves the right, on behalf of itself and the OFFC Affiliates, to suspend any services to be provided by OFFC or any OFFC Affiliate or the sales of any products to Franchisee by OFFC or any OFFC Affiliate until such time as Franchisee cures the default. The services that may be suspended include but are not limited to any services related to advertising or promotion of Franchisee's OXI FRESH Business such as the listing of Franchisee's OXI FRESH Business on any website, and suspension of any telephone or Scheduling Center services. The suspension may continue until Franchisee has cured each default identified in the default notice from OFFC and Franchisee is deemed to be in good standing. Franchisee is not relieved of any obligation to pay any fees during the term of any suspension. The rights afforded to OFFC in this **Section 18.6** are in addition to any other rights of OFFC upon a default by Franchisee.

18.7. Franchisee's Failure to Comply With Post-Termination Obligations.

If, within 30 days after termination or expiration of this Agreement, Franchisee fails to:

a. Remove all displays of the Marks from Franchisee's OXI FRESH Business that are identified or associated with the System, OFFC may enter the Franchisee's OXI FRESH Location to effect removal, except if prohibited by law. In this event, OFFC will not be charged with trespass nor be accountable or required to pay for any displays or materials.

b. Take all steps necessary to amend or terminate any registration or filing of any business name or d/b/a or any other registration or filing containing the Marks. Franchisee irrevocably appoints OFFC, with full power of substitution, as Franchisee's true and lawful attorney-in-fact, which appointment is coupled with an interest, and in Franchisee's name, place and stead and on Franchisee's

behalf, to take action as may be necessary to amend or terminate all registrations and filings if Franchisee fails to timely take such action.

18.8. OFFC's Purchase of Business Assets.

OFFC has the right, but not the obligation, to be exercised by notice of intent to do so sent in writing by OFFC within 30 days after termination or expiration of this Agreement, to purchase any or all of the assets of Franchisee's OXI FRESH Business; including inventory, equipment, supplies, signs, advertising materials and items bearing the Marks, at their fair market value (less the amount of any outstanding liens or encumbrances). If the parties cannot agree on a fair market value within a reasonable time, an independent appraiser shall be designated by OFFC, and the appraiser's determination shall be binding. No monetary amount shall be as attributable to any goodwill associated with Franchisee's use of the Marks or in connection with the operation of its OXI FRESH Business. If OFFC elects to exercise its option to purchase as herein provided, it will have the right to set off all amounts due OFFC or any companies affiliated with OFFC from Franchisee, and the cost of the appraisal, if any, against any payment thereof.

18.9. OFFC's Option to Assume or Enter Into Lease.

a. OFFC has the right, but not the obligation, to be exercised by notice of intent to do so sent in writing by OFFC within 30 days after termination or expiration of this Agreement, to assume Franchisee's lease with its lessor, if Franchisee has leased nonresidential space for its OXI FRESH Location.

b. If Franchisee is the owner of a nonresidential building wherein its OXI FRESH Location is located, OFFC shall have the opportunity, to be exercised by notice of intent to do so sent in writing by OFFC within 30 days after termination or expiration of this Agreement, of executing a lease agreement with Franchisee for a period of not more than 10 years, as OFFC shall select, and the premises shall be leased to OFFC at a rate not more than the fair market value for premises similar to that of the premises of the OXI FRESH Location at the time OFFC decides to exercise this option to lease.

18.10. Effects of Termination or Expiration.

Termination or expiration of this Agreement shall not affect, modify or discharge any claims, rights, causes of action or remedies which OFFC may have against Franchisee, whether such claims or rights arise before or after termination or expiration. All obligations of the parties hereto which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect notwithstanding such expiration or termination.

18.11. Outstanding Loan Obligations.

In the event that this Agreement expires or is terminated for any reason whatsoever and OFFC is the lender under any loan agreement ("**Loan**") or the holder of any promissory note ("**Note**") or the holder of any personal property, security interest, chattel mortgage, debenture or mortgage of any nature whatsoever (the "**Security Interest**") from Franchisee concerning assets used at any time by Franchisee in its OXI FRESH Business or which are situated on the OXI FRESH Location, such Loan, Note or Security Interest shall, upon the effective date of termination or expiration, immediately become fully due and payable as to all principal and interest so loaned and secured.

18.12. Terminology.

For purposes of this Agreement, wherever the term "expiration" or "termination" is used, it is intended to refer to both situations, unless the context indicates otherwise. Any terms herein that apply upon expiration or termination shall also apply for a transferor upon a Transfer.

18.13. Conflicting Laws.

THE PARTIES ACKNOWLEDGE THAT IN THE EVENT THAT THE TERMS OF THIS AGREEMENT REGARDING TERMINATION OR EXPIRATION ARE INCONSISTENT WITH APPLICABLE FEDERAL, STATE, PROVINCIAL, OR OTHER LAW, SUCH LAW SHALL GOVERN FRANCHISEE'S RIGHTS REGARDING TERMINATION OR EXPIRATION OF THIS AGREEMENT.

18.14. Remedies Cumulative.

All rights and remedies conferred upon OFFC by this Agreement and by law shall be cumulative of each other, and neither the exercise nor the failure to exercise any right or remedy shall preclude the exercise of any other right or remedy.

19. BUSINESS RELATIONSHIP

19.1. Business Relationship.

Franchisee acknowledges that it is an independent contractor and is not an agent, partner, joint venturer or employee of OFFC, and Franchisee agrees not to hold itself out as such. The parties agree that this Agreement does not establish a fiduciary relationship between them. Neither party is liable or responsible for the other's debts or obligations, nor shall either party be obligated for any damages to any person or property directly or indirectly arising out of the operation of the other party's business authorized by or conducted pursuant to this Agreement. It is further agreed that Franchisee has no authority to create or assume in OFFC's name or on behalf of OFFC, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of OFFC for any purpose whatsoever. All employees hired by or working for Franchisee shall be the employees of Franchisee and shall not, for any purpose, be deemed employees of OFFC or subject to OFFC's control. Neither this Agreement nor the course of conduct between OFFC and Franchisee is intended, nor may anything in this Agreement (or the course of conduct) be construed, to state or imply that OFFC is the employer of Franchisee's Authorized Representatives, or vice versa. Each of the parties agrees to file its own tax, regulatory and payroll reports with respect to its respective employees and operations. Notwithstanding any other provisions in this Agreement, OFFC shall not be responsible for supervising the activities of Franchisee's OXI FRESH Business or ensuring that the OXI FRESH Business is operated in compliance with applicable laws.

19.2. Third Party Obligations.

OFFC will have no liability for Franchisee's obligations, or to pay or otherwise fulfill any of Franchisee's obligations to any third parties.

19.3. Indemnification.

Franchisee agrees to indemnify, defend, release and hold OFFC, its subsidiaries and affiliates (if any), and their respective shareholders, directors, officers, members, managers, partners, employees,

agents, successors and assignees, as applicable, (the "**Indemnified Parties**") harmless against, and to reimburse them for all Claims, (as defined below), any and all third party obligations described above, and any and all claims, obligations and liabilities directly or indirectly arising out of the operation of the OXI FRESH Business or arising out of the use of the Marks and Licensed Methods in any manner not in accordance with this Agreement, including (without limitation) the use or operation of cleaning equipment, cleaning agents, and/or supplies, inadvertent damage to customers' personal property, theft or other crime by employees at customer premises, and violations of any laws including labor or employment laws. This indemnity includes any Claims arising from the acts or omissions of Franchisee's Authorized Representatives. For purposes of this Agreement, "**Claims**" include all obligations, actual and consequential damages and costs reasonably incurred in the defense of any claim against the Indemnified Parties, including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. OFFC will have the right to defend any such Claim against it. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

20. RESTRICTIVE COVENANTS

20.1. Non-Competition During Term.

Franchisee acknowledges that, in addition to the license of the Marks hereunder, OFFC has also licensed commercially valuable information which comprises and is a part of the Licensed Methods and the System, including without limitation, operations, marketing, advertising and related information and materials, and that the value of this information derives not only from the time, effort and money which went into its compilation, but from the usage of the information and materials by all franchisees of OFFC using the Marks and Licensed Methods. Franchisee therefore agrees that other than the OXI FRESH Business licensed herein, neither Franchisee, the Operations Manager, nor any of Franchisee's shareholders, directors, officers, members, managers, partners, guarantors, employees, agents, successors and assignees, as applicable (collectively, the "**Franchisee Affiliates**"), nor any member of his or their immediate families, or any Authorized Representative, will during the term of this Agreement:

a. have any direct or indirect controlling interest as a disclosed or beneficial owner in a "Competitive Business," as defined below;

b. perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business;

c. divert or attempt to divert any business related to OFFC or another franchisee of OFFC authorized by OFFC to use the Marks and System, to any Competitive Business by direct inducement or otherwise; or

d. divert or attempt to divert the employment of any employee or other representative of OFFC, or of another franchisee authorized by OFFC to use the Marks and System, to any employment, consultation or other position outside of OFFC or the OFFC franchise system, by any direct inducement or otherwise.

The term "**Competitive Business**" as used in this Agreement means any business operating, or granting franchises or licenses to others to operate, a business that is similar to an OXI FRESH Business, including a business that provides services related to the inspection and cleaning of commercial and/or residential carpets, rugs, upholstery, tile and grout, and hardwood flooring, and ancillary products. However, Franchisee will not be prohibited from owning securities in a Competitive Business if such

securities are listed on a stock exchange or traded on the over-the-counter market and represent 2 percent or less of that class of securities issued and outstanding.

20.2. Post-Term Covenant Not to Compete.

Upon termination or expiration of this Agreement for any reason, or the Transfer of the rights under this Agreement, Franchisee and the Franchisee Affiliates agree that, for a period of two years commencing on the effective date of termination, expiration, or Transfer, or the date on which Franchisee ceases to conduct business, whichever is later, neither Franchisee and the Franchisee Affiliates nor any Authorized Representative will have any direct or indirect interest (through a member of any immediate family or otherwise) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent or in any other capacity in any Competitive Business, or grant franchises or licenses to others to operate a Competitive Business, within a 20-mile radius of Franchisee's Protected Territory or any protected territory of any OXI FRESH Business owned by OFFC, any affiliate of OFFC or any other franchisee of OFFC. Franchisee and the Franchisee Affiliates expressly acknowledge that they possess business and career skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Section will not deprive them of their personal goodwill or ability to earn a living. If a former Franchisee, former Franchisee Affiliate, or any former Authorized Representative, breaches this Section, the two-year period shall start on the date that such person is enjoined from competing or stops competing, whichever is later.

20.3. No Interference.

a. During the term of this Agreement and for a period of two years following the expiration or termination of this Agreement for any reason, or the date on which Franchisee ceases to conduct business, whichever is later, neither Franchisee nor any of the Franchisee Affiliates shall interfere with the business of OFFC by interfering with or disrupting, or attempting to interfere with or disrupt, the relationship, contractual or otherwise, between OFFC and any of its existing or prospective franchisees, customers, suppliers, partners or joint venturers.

b. In the event Franchisee or any of the Franchisee Affiliates breaches the terms of this **Section 20.3**, Franchisee agrees to pay OFFC, as liquidated damages, and not as a penalty, an amount equal to the then current Initial Franchise Fee due for a Franchise, per occurrence.

20.4. No Diversion.

a. Franchisee and the Franchisee Affiliates agree that, for a period of two years following the expiration or termination of this Agreement for any reason, or the date on which Franchisee ceases to conduct business, whichever is later, neither Franchisee nor the Franchisee Affiliates will directly or indirectly (through an immediate family member or otherwise) divert or attempt to divert any business related to OFFC or another franchisee authorized by OFFC to use the Marks and System, to any Competitive Business, by direct inducement or otherwise.

b. Franchisee and the Franchisee Affiliates agree that, for a period of two years following the expiration or termination of this Agreement for any reason, or the date on which Franchisee ceases to conduct business, whichever is later, neither Franchisee nor the Franchisee Affiliates will directly or indirectly (through an immediate family member or otherwise) divert or attempt to divert the employment of any employee or other representative of OFFC or of another franchisee authorized by OFFC to use the Marks and System, to any employment, consultation or other position outside of OFFC or the OFFC franchise system, by direct inducement or otherwise.

20.5. Confidentiality of Proprietary Information.

Franchisee and the Franchisee Affiliates will treat all information it receives that comprises or is a part of the Licensed Methods or the System as proprietary and confidential, and will not use or duplicate such information in an unauthorized manner or disclose the information to any unauthorized person, including in any business that may be competitive with OFFC, without first obtaining OFFC's written consent. Franchisee and the Franchisee Affiliates acknowledge that the Marks, the System and the Licensed Methods have valuable goodwill attached to them, that the protection and maintenance thereof is essential to OFFC and that any unauthorized use or disclosure of the Marks and Licensed Methods will result in irreparable harm to OFFC.

20.6. Confidentiality Agreements and Acknowledgements.

OFFC reserves the right to require that Franchisee cause each of its Franchisee Affiliates, any member of their immediate families, and any Authorized Representatives, to execute a Nondisclosure and Noncompetition Agreement in a form approved by OFFC containing the restrictive covenants of this Agreement. If OFFC requires any immediate family member to execute a Nondisclosure and Noncompetition Agreement subsequent to the execution of this Agreement by Franchisee, Franchisee must use its best efforts to cause that immediate family member to execute the Nondisclosure and Noncompetition Agreement. Franchisee will provide to OFFC a copy of each Nondisclosure and Noncompetition Agreement signed by any such individual immediately following its execution and thereafter upon OFFC's request.

20.7. Invalidity of Covenants.

Franchisee acknowledges that if all or any portion of the aforesaid restrictive covenants contained in this Agreement are held unreasonable or unenforceable by a court or agency having jurisdiction in an unappealed final decision to which Franchisee is a party, Franchisee will be bound by any lesser covenants contained within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were subsequently stated and made a part of this Agreement.

20.8 Claims Are Not Defenses to Covenants.

Franchisee expressly agrees that the existence of any claim it may have against OFFC, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by OFFC of the covenants of this **Article 20**. Franchisee further agrees that OFFC shall be entitled to set off from any amount owed by OFFC to Franchisee any loss or damage to OFFC resulting from Franchisee's breach of this **Article 20**.

21. INSURANCE

21.1. Insurance Coverage.

Franchisee shall procure, prior to providing its first cleaning service to a customer through its OXI FRESH Business, and shall maintain in full force and effect during the term of this Agreement, at Franchisee's expense, an insurance policy or policies protecting Franchisee, OFFC, and the officers, directors, partners, agents, and employees of both OFFC and Franchisee, against any loss, liability, personal injury, death, property damage, or expense whatsoever arising from or occurring upon or in connection with operating its OXI FRESH Business. Franchisee shall, upon commencement of the term

of this Agreement, purchase and at all times maintain in full force and effect all of the following coverages with the limits set forth in the Operations Manual:

a. Workers Compensation Insurance in amounts prescribed by law.

b. Comprehensive general liability insurance including, but not limited to, product liability coverage and personal injury coverage.

c. Errors and omissions insurance.

d. Property damage liability insurance covering at a minimum the perils of fire and extended coverage and vandalism

e. Motor vehicle coverage.

f. Such additional insurance as may be required by the terms of any lease or mortgage for Franchisee's OXI FRESH Location, or by the statutes or other laws of the country, state, province, and/or local governmental entities in which Franchisee's OXI FRESH Business is located and operated.

The liability insurance afforded by the policy or policies shall not be limited in any way by reason of any insurance that may be maintained by OFFC; nor shall Franchisee's performance of this obligation relieve it of liability that under the indemnity provisions set forth in this Agreement. OFFC reserves the right to increase or decrease the amounts of insurance Franchisee must purchase by providing Franchisee with 30 days advance written notice of any changes in coverage amounts. All policies of insurance required under this Section will be with the insurance company(ies) designated by OFFC (or, if OFFC does not designate any particular company, with companies qualified to do business and in good standing in the jurisdiction where Franchisee's OXI FRESH Business is located and that are approved by OFFC). All insurance policies shall be in a form satisfactory to OFFC. All liability insurance policies shall name OFFC as an additional insured to the extent of claims arising out of the operations of Franchisee's OXI FRESH Business.

21.2. Proof of Insurance.

Prior to opening for business, Franchisee shall furnish to OFFC certificates issued by each of Franchisee's insurers indicating that all premiums due have been paid, that all required insurance is in full force and effect, and that the insurance will not be terminated or changed without at least 30 days' prior written notice from the insurer to OFFC. New certificates evidencing renewal of insurance shall be furnished at least 30 days' prior to the date of expiration of each policy. Within five business days of any request by OFFC, Franchisee shall deliver a copy of all insurance policies to OFFC for examination.

21.3. Failure to Maintain Insurance.

If Franchisee fails to obtain or maintain adequate insurance, in addition to any other remedies available to OFFC under this Agreement, OFFC may obtain insurance for and in Franchisee's name. Within five days of any written request by OFFC, Franchisee shall pay all costs of obtaining adequate insurance, which costs shall include a reasonable fee for OFFC's expenses in obtaining the insurance.

22. ARBITRATION

22.1. Arbitration.

All controversies, disputes, claims, causes of action and/or alleged breaches or failures to perform between OFFC, its subsidiaries and affiliated companies or their shareholders, officers, directors, members, managers, partners, agents, employees and attorneys (in their representative capacity) (collectively, the "**OFFC Affiliates**") and Franchisee and the Franchisee Affiliates (as defined in **Section 20.1** above) arising out of or related to: (1) this Agreement; (2) the relationship of the parties; (3) the validity of this Agreement; or (4) any Licensed Methods, will be submitted on demand of either party for arbitration to the Denver, Colorado, U.S.A. office of either the Judicial Arbiter Group ("**JAG**") or the American Arbitration Association ("**AAA**"), as selected by the party submitting the demand; except for actions brought which are related to or based on the Marks or the copyrights of OFFC or to enforce the provisions of **Article 20** of this Agreement, which actions OFFC, at its option, may bring either in a court of competent jurisdiction or in arbitration. Notwithstanding the language above, if the action is based on a separate agreement or instrument between Franchisee or the Franchisee Affiliates and OFFC or the OFFC Affiliates (such as a promissory note or lease), the dispute resolution procedure in that agreement or instrument will control, rather than this Section; provided, that, at OFFC's sole option, any claim of OFFC or any OFFC Affiliate against Franchisee or any Franchisee Affiliate based on such other agreement or instrument may be brought in arbitration in conjunction with a dispute between the parties that is subject to arbitration under this Section, regardless of any provisions to the contrary contained in that other agreement or instrument. Arbitration proceedings will be conducted in Denver, Colorado, U.S.A. and will be heard by one arbitrator in accordance with the then current rules of AAA that apply to commercial arbitration. The decision as to whether a claim is subject to mandatory arbitration shall be made by an arbitrator, not a court, except that the decision whether the arbitration may proceed as a class action shall be made by a court. The arbitrator shall be a resident of the State of Colorado, U.S.A. knowledgeable of Colorado law and fluent in English. The arbitration proceeding and all other hearings shall be conducted in English only, although Franchisee shall have the right, at Franchisee's option and sole expense, to have a translator present at the proceeding or other hearings. The expense of a translator shall not be considered a cost or expense related to an action pursuant to **Section 23.11.b** of this Agreement. The parties further agree that, in connection with any arbitration proceeding, each will file any compulsory counterclaim (as defined by Rule 13 of the United States Federal Rules of Civil Procedure) within 30 days after the date of the filing of the claim to which it relates. Any party to an arbitration proceeding may apply to the arbitrator for reasonable discovery from the other. In this Agreement, "reasonable discovery" means a party may submit no more than ten interrogatories, including subparts, 25 requests for admission, 25 document requests, and 3 depositions per side of the dispute. The foregoing discovery rights and limitations shall control over any contradictory discovery rules of AAA, unless the parties agree otherwise.

22.2. Arbitration Award.

Subject to **Sections 22.6** and **22.7** below, the arbitrator will have the right to award or include in the award any relief which the arbitrator deems proper in the circumstances, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, and attorneys' fees and costs, in accordance with this Agreement. Any award shall be based on established law and shall not be made on broad principles of justice and equity. The award and decision of the arbitrator will be conclusive and binding upon all parties, and judgment upon the award may be entered in any court of competent jurisdiction. This provision will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

22.3. Limitations on Proceedings.

a. OFFC and Franchisee agree that arbitration will be conducted on an individual basis only. Neither party shall commence any arbitration with a third party against the other, or join with any third party in any arbitration involving OFFC and Franchisee. Further, neither OFFC nor Franchisee shall attempt to consolidate or otherwise combine in any manner an arbitration proceeding involving OFFC and Franchisee with another arbitration of any kind, nor shall OFFC or Franchisee attempt to certify a class or participate as a party in a class action against the other.

b. The foregoing notwithstanding, in the event Franchisee controls, is controlled by, or is in active concert with another franchisee of OFFC, or there is a guarantor of some or all of the Franchisee's obligations to OFFC, then the joinder of those parties to any arbitration between OFFC and Franchisee shall be permitted, and in all events, the joinder of an owner, director, officer, manager, partner or other representative or agent of Franchisee shall be permitted.

c. Franchisee agrees that no claims may be brought on its behalf or on behalf of any of the Franchisee Affiliates by any third party, including but not limited to any association representing Franchisee.

22.4. Injunctive Relief.

Notwithstanding anything to the contrary contained in this Agreement, OFFC and Franchisee will each have the right in a proper case to obtain temporary or preliminary injunctive relief from a court of competent jurisdiction. Each party agrees that the other may have such temporary or preliminary injunctive relief, without bond, but upon due notice, and with the sole remedy in the event of the entry of such injunctive relief being the dissolution of such injunctive relief, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of such injunction being expressly waived by each party). Any such action will be brought as provided below.

22.5. Governing Law/Consent to Jurisdiction/Waiver of Jury Trial.

The United States Federal Arbitration Act shall govern all questions about the enforceability of the dispute resolution procedures in this Agreement and the confirmation of any arbitration awards pursuant to such procedures, and no arbitration issues are to be resolved pursuant to any other statutes, regulations or common law. Otherwise, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or applicable international trademark law, this Agreement shall be interpreted under the laws of the State of Colorado, U.S.A. and any dispute between the parties shall be governed by and determined in accordance with the internal substantive laws (and not the laws of conflict) of the State of Colorado, U.S.A., which laws shall prevail in the event of any conflict of law. Notwithstanding the foregoing, the parties agree that the Colorado Consumer Protection Act (COLO. REV. STAT. ANN. Section 6-1-101, et seq.) shall not apply to this Agreement or any disputes between the parties. Franchisee and OFFC have negotiated regarding a forum in which to resolve any disputes that may arise between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding not subject to mandatory arbitration, as specified in **Section 22.1** above, involving Franchisee and/or the Franchisee Affiliates and OFFC and/or the OFFC Affiliates, the parties agree that the exclusive venue for disputes between them shall be in the state and federal courts of Colorado, U.S.A., and each waive any objection either may have to the personal jurisdiction of or venue in the state and federal courts of Colorado, U.S.A. Notwithstanding the foregoing, any legal proceeding by OFFC or any OFFC Affiliate not subject to mandatory arbitration may be brought in any court of competent jurisdiction in the country, state,

province, or other geographic area in which the OXI FRESH Business is located or in which Franchisee or any Franchisee Affiliate resides or owns assets. IF A CLAIM MAY BE BROUGHT IN COURT, THEN OFFC, THE OFFC AFFILIATES, FRANCHISEE, AND THE FRANCHISEE AFFILIATES EACH WAIVE THEIR RIGHTS TO A TRIAL BY JURY.

22.6. No Punitive or Consequential Damages.

Except as specifically permitted elsewhere in this Agreement or as may be required by statute, neither OFFC or any of the OFFC Affiliates, on the one side, nor Franchisee or any of the Franchisee Affiliates, on the other side, shall be liable to the other for punitive or other damages not measured by the other party's actual damages, except as may be required by statute, in any action between the parties, whether of the type subject to mandatory arbitration under **Section 22.1** or otherwise, and whether such action is brought in arbitration, litigation, or any other legal proceeding.

22.7. No Recourse Against Others.

Franchisee agrees that its sole recourse for claims (whether in contract or in tort, in law or in equity, or granted by statute) arising between the parties shall be against OFFC or its successors and assigns. Franchisee agrees that the shareholders, directors, officers, employees, managers, members, and agents of OFFC and its affiliates (the "**Nonparty Affiliates**") shall not be personally liable nor named as a party in any action between OFFC and Franchisee. To the maximum extent permitted by law, Franchisee waives any such claims against such Nonparty Affiliates.

23. MISCELLANEOUS PROVISIONS

23.1. Modification.

a. This Agreement may only be modified upon execution of a written agreement between OFFC and Franchisee or, at OFFC's option, upon notice of the approval of a Super-Majority as defined in **Section 23.1.b** below.

b. This Agreement may be modified by OFFC at its option whenever OFFC and a Super-Majority, as hereinafter defined, of franchisees of OFFC agree to any such modification. A "**Super-Majority**" of OFFC franchisees shall consist of the owners of at least 75 percent of all OXI FRESH Businesses, or, if only a portion of OXI FRESH Businesses are affected by the modification, at least 75 percent of those OXI FRESH Businesses affected by the modification. Whenever a modification is approved by a Super-Majority OFFC may elect to treat the modification as effective to all franchisees or the applicable group thereof, including Franchisee, to the same extent and in the same manner as if the modification was unanimously approved by them, and regardless of whether Franchisee may or may not desire to be bound by the modification. OFFC shall provide Franchisee with notice of any modification to this Agreement based on a Super-Majority approval at least 30 days' prior to the date such modification is to be effective. By signing this Agreement, Franchisee appoints the officers of OFFC as its attorneys in fact with irrevocable power and authority to execute any such modification so approved.

c. Franchisee acknowledges that OFFC may modify its standards and specifications and operating, marketing, and other policies and procedures set forth in the Operations Manual unilaterally under any conditions and to the extent in which OFFC, in its sole discretion, deems necessary, and Franchisee shall be bound by such modifications. These modifications may include regional and local variations. Franchisee may be obligated to invest additional capital in Franchisee's OXI FRESH Business and incur higher operating costs based on these periodic modifications.

23.2. Entire Agreement.

This Agreement (which includes the Addendum and Exhibits) contains the entire agreement between the parties and supersedes any and all prior agreements concerning the subject matter hereof. OFFC does not authorize and will not be bound by any representation of any nature other than those expressed in this Agreement. Franchisee acknowledges and agrees that no representations have been made to it by OFFC regarding projected sales volumes, market potential, revenues or profits of Franchisee's OXI FRESH Business, or operational assistance other than as stated in this Agreement or in any franchise disclosure document or advertising or promotional materials provided by OFFC in connection herewith. Additionally, Franchisee hereby acknowledges and agrees that, in entering into this Agreement, it is not relying on the existence or non-existence of any particular fact or matter not set forth in this Agreement or in the franchise disclosure document provided to Franchisee. Franchisee agrees and understands that OFFC will not be liable or obligated for any oral representations or commitments made prior to the execution hereof, for claims of negligent or fraudulent misrepresentation based on any such oral representations or commitments, or for claims of negligent or fraudulent omissions or nondisclosure of facts or information. Nothing in this Agreement or in any related agreement is intended to disclaim any representations made by OFFC in the franchise disclosure document provided to Franchisee.

23.3. Varying Standards.

OFFC has the right, at its sole determination, to vary the Franchise Agreement and/or standards for any Franchise based upon the peculiarities of a particular site or circumstance, density of population, business potential, population or trade area, existing business practices, or any other condition that OFFC deems to be of importance or otherwise desirable. Franchisee shall not have any right to complain about a variation in the Franchise Agreement, or from standard specifications and practices, granted to any other franchisee. Franchisee shall not be entitled to require OFFC to grant to Franchisee a like or similar variation.

23.4. Authority.

If Franchisee is a business entity, the individual(s) executing this Agreement on behalf of the business entity represent and warrant to OFFC, both individually and in his/her/their capacity(ies) as a director, officer, limited liability manager or member, or partner (as applicable), that he/she/they have the proper authority to enter into this Agreement on behalf of the business entity.

23.5. Delegation by OFFC.

From time to time, OFFC will have the right to delegate the performance of any portion or all of its obligations and duties under this Agreement to third parties, whether they are employees of OFFC or independent contractors that OFFC has contracted with to provide such services. Franchisee agrees in advance to any such delegation by OFFC of any portion or all of its obligations and duties hereunder.

23.6. Consent; Business Judgment.

Wherever OFFC's consent or approval is required in this Agreement, unless the provision specifically indicates otherwise, OFFC has the right to withhold its approval at its option, in its business judgment, taking into consideration its assessment of the long-term interests of the System overall. OFFC may withhold any and all consents or approvals required by this Agreement if Franchisee is in default or breach of this Agreement. OFFC's approvals and consents will not be effective unless given in writing

and signed by one of its duly authorized representatives. In no event may Franchisee make any claim for money damages based on any claim that OFFC has unreasonably withheld or delayed any consent or approval to a proposed act by Franchisee under the terms of this Agreement. Franchisee's sole remedy for the claim will be an action or proceeding to enforce the provisions of this Agreement by specific performance or by declaratory judgment.

23.7. General Economic Conditions.

Neither a general economic downturn or conditions nor Franchisee's financial inability to perform the terms of this Agreement will be a defense to an action by OFFC for Franchisee's breach of this Agreement.

23.8. Effective Date.

This Agreement will not be effective until accepted by OFFC as evidenced by dating and signing by an authorized officer of OFFC.

23.9. Limitation on Actions.

Notwithstanding anything contained in this Agreement to the contrary, any and all claims and actions arising out of or relating to this Agreement, the relationship between Franchisee and OFFC, or Franchisee's operation of the OXI FRESH Business shall be commenced within one year from the occurrence of the facts giving rise to the claim or action.

23.10. Review of Agreement.

Franchisee acknowledges that it had a copy of this Agreement in its possession for a period of time not less than that required by applicable law and has been given sufficient time to seek, and to submit this Agreement for, professional review and advice of Franchisee's choosing prior to freely executing this Agreement.

23.11. Attorneys' Fees.

a. Subject to **Section 23.11.b** below, Franchisee shall reimburse OFFC for its costs and expenses, including, without limitation, attorneys' fees, which OFFC incurs in pursuit of its rights following a breach or event of default of or by Franchisee whether or not the pursuit of rights involves litigation or arbitration.

b. The prevailing party in any litigation or arbitration action arising out of, or related to, this Agreement (including an action to compel arbitration) is entitled to recover all of its reasonable costs and expenses related to the action, including reasonable accounting, expert witness, attorneys' and arbitrator's fees, and costs of collecting monies owed, in addition to all other amounts and damages awarded. If both parties are awarded a judgment in any dollar amount, the court or arbitrator, as applicable, shall determine the prevailing party taking into consideration the merits of the claims asserted by each party, the amount of the judgment received by each party, and the relative equities between the parties.

23.12. No Waiver.

No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by OFFC or Franchisee will be considered to imply or constitute a further waiver by OFFC or Franchisee of the same or any other condition, covenant, right, or remedy.

23.13. No Right to Set Off.

Franchisee will not be allowed to set off amounts owed to OFFC for Royalty Fees, Job Fees, Advertising and Technology Fees, or other amounts due hereunder, against any monies owed to Franchisee, which right of set off is expressly waived by Franchisee. No endorsement or statement on any check or payment of any sum less than the full sum due to OFFC shall be construed as an acknowledgment of payment in full or an accord and satisfaction, and OFFC may accept and cash such check or payment without prejudice to its right to recover the balance due or pursue any other remedy provided herein or by law. OFFC may apply any payments made by Franchisee against any past due indebtedness of Franchisee as OFFC may see fit. OFFC may set off against any payment due to Franchisee hereunder any outstanding debts of Franchisee to OFFC, and may, at OFFC's option, pay Franchisee's trade creditors out of any sum otherwise due to Franchisee.

23.14. Survival of Terms.

Every article and section of this Agreement that by its terms is intended to survive expiration and/or termination of this Agreement shall survive the expiration or termination of this Agreement for any reason.

23.15. Invalidity.

If any provision of this Agreement is held invalid by any tribunal in a final decision from which no appeal is or can be taken, such provision will be deemed modified to eliminate the invalid element and, as so modified, such provision will be deemed a part of this Agreement as though originally included. The remaining provisions of this Agreement will not be affected by such modification.

23.16. Notices.

a. All notices required to be given under this Agreement will be given in writing, by personal delivery, certified mail, return receipt requested, e-mail or an overnight delivery service providing documentation of receipt, at the address set forth below the signatures of OFFC and Franchisee respectively on the signature page hereto or at such other addresses as OFFC or Franchisee may designate from time to time. Notice will be effectively given when personally delivered or delivered by e-mail to the proper e-mail address. If the Protected Territory is in the United States, notice will be effectively given three days after being deposited in the United States mail, with proper address and postage prepaid, or one day after being deposited with the overnight delivery service, as may be applicable. If the Protected Territory is outside of the United States, notice will be effectively given seven days after being deposited in the United States mail, with proper address and postage prepaid, or three days after being deposited with the overnight delivery service, as may be applicable.

b. Franchisee shall provide OFFC with a current business and/or residential address (in accordance with the preceding paragraph), other than the address of the OXI FRESH Location (unless the OXI FRESH Location is in Franchisee's residence). Franchisee must provide OFFC with updated information whenever changes occur, so that OFFC always has a current address for Franchisee.

23.17. Force Majeure.

OFFC will not be liable to Franchisee, nor will OFFC be deemed to be in breach of this Agreement, if it exercises best efforts to perform its obligations as may be due to Franchisee hereunder, and its failure to perform its obligations results from: (1) transportation shortages, inadequate supply of labor, material or energy, or voluntarily foregoing the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instruments of any federal, state, provincial, or municipal government or any department or agency thereof; (2) compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state, provincial, or municipal government or any department or agency thereof; (3) acts of God; or (4) fires, strikes, terrorism, embargoes, war or riot. Any delay resulting from any of these causes will extend performance by OFFC accordingly or excuse performance by OFFC in whole or in part, as may be necessary.

23.18. Estoppel Certificates.

Franchisee agrees at any time and from time to time within 10 days after notice from OFFC, to execute, acknowledge and deliver to OFFC a statement in writing, form and substance acceptable to OFFC, verifying that this Agreement is unmodified and in full force and effect (or if there have been modifications, that the Agreement is in full force and effect as modified and stating the modifications), and whether or not there exists any default in the performance of any term, condition or covenant of this Agreement and, if so, specifying each such default, and such other matters related to this Agreement as OFFC shall request, it being intended that any such statement delivered pursuant hereto may be relied upon by OFFC and by any lenders of OFFC, or any prospective purchasers of all or any part of OFFC's business.

23.19. Binding Effect.

This Agreement is binding upon the parties hereto and their respective permitted assigns and successors in interest.

23.20. Cross-Default and Cross Termination Provisions.

a. A default by Franchisee under this Agreement will be deemed a default of all agreements between Franchisee and/or any company(ies) affiliated with Franchisee, on the one hand, and OFFC and/or any company(ies) affiliated with OFFC, on the other hand (the "**Other Agreements**"). A default by Franchisee and/or any company(ies) affiliated with Franchisee under any of the Other Agreements will be deemed a default under this Agreement. A default by any guarantor(s) of this Agreement or of any of the Other Agreements will be deemed a default of this Agreement.

b. If this Agreement is terminated as a result of a default by Franchisee, OFFC may, at its option, elect to terminate any or all of the Other Agreements. If any of the Other Agreements is terminated as a result of a default by Franchisee and/or any company(ies) affiliated with Franchisee, OFFC may, at its option, elect to terminate this Agreement. It is agreed that an incurable or uncured default under this Agreement or any of the Other Agreements will be grounds for termination of this Agreement and/or any and all of the Other Agreements without additional notice or opportunity to cure.

23.21. Charges and Taxes.

All provisions in this Agreement stating that Franchisee will pay or be responsible for any costs, charges, or taxes includes all customs or duty charges, foreign currency purchase levies, import and export fees and levies, and other similar costs, charges and taxes.

23.22. Translations.

If Franchisee is required to translate any advertising materials or any other materials related to the OXI FRESH Business to use them in the Protected Territory, it will do so in accordance with the terms of OFFC's current form of translation agreement. OFFC shall have the right to copyright the translated or adapted materials in any other country or territory, and shall own the United States and all foreign copyrights of all translations, adaptations and/or derivative versions of the materials and shall have the right to market the materials, including the translated or adapted versions of the materials in any manner OFFC might choose in all countries of the world.

23.23. Approval Within Protected Territory.

Any approval of this Agreement by the appropriate authorities in the Protected Territory that is required to enable Franchisee to enter into this Agreement, perform under the terms of this Agreement, do business with OFFC, or make payments to OFFC in United States Dollars in the United States of America will be the sole responsibility and at the sole expense of Franchisee.

23.24. Manner of Payment.

All references in the Agreement to the term "Dollars" or the symbol "$" refers to United States Dollars, and all payments made to OFFC, unless otherwise noted, must be paid in United States Dollars net of any taxes or withholdings. The exchange rate for calculating payments due will be the exchange rate published in The Wall Street Journal the day the payment is due. If, for any reason whatsoever, a payment that is due to OFFC under this Agreement is not paid on the date that such payment is due, the exchange rate to be used shall be either the exchange rate published on the due date or the exchange rate published on the date that the payment is actually made, whichever results in a greater amount to OFFC. If The Wall Street Journal is not published on the date of conversion, the applicable exchange rate will be that rate published in The Wall Street Journal on the nearest date of publication prior to the date of conversion or by a successor or equivalent publication to be designated by OFFC in the event The Wall Street Journal ceases to be published or ceases to publish the applicable exchange rates. OFFC may designate and change payment instructions at any time on prior written notice to Franchisee. Franchisee shall be solely responsible for the payment of any costs and charges incurred in connection with the transfer and exchange of currency over and above any fees due or paid.

23.25. Translation of Agreement.

The English language will be regarded as the authoritative and official text of this Agreement; however, this Agreement may be translated into the language in dominant use in the Protected Territory, at Franchisee's expense, in the event that translation is necessary for any reason, including for the purpose of registration of this Agreement with the applicable governmental authority. Nevertheless, in the event that any discrepancies exist between the English text and the translated text, the English text will be considered the official text of this Agreement.

23.26. Incorporation of Riders.

To the extent that any of the Riders to Franchise Agreement for Specific Countries, States, and Provinces attached as Exhibit VI is applicable, such rider is incorporated herein and this Agreement is modified accordingly. The provisions in any applicable rider are included as a condition to registration or use in certain jurisdictions, and OFFC is not precluded from contesting the validity, enforceability, or applicability of such provisions in any action relating to this Agreement or its rescission or termination.

23.27. Counterparts; Electronic Signatures.

This Agreement and any riders and addenda hereto may be executed in any number of identical counterparts and via electronic signatures, and each such counterpart shall be deemed a duplicate original hereof.

23.28. Acknowledgement.

BEFORE SIGNING THIS AGREEMENT, FRANCHISEE SHOULD READ IT CAREFULLY AND DISCUSS ITS PROVISIONS WITH ITS LEGAL COUNSEL. FRANCHISEE ACKNOWLEDGES ALL OF THE FOLLOWING:

A. FRANCHISEE OR ITS OPERATIONS MANAGER HAS BEEN AFFORDED THE OPPORTUNITY TO ASK QUESTIONS AND REVIEW MATERIALS OF OFFC THAT FRANCHISEE OR ITS OPERATIONS MANAGER DEEMS RELEVANT IN ORDER TO MAKE A DECISION TO ENTER INTO THIS AGREEMENT AND ACQUIRE A FRANCHISE HEREUNDER.

B. FRANCHISEE OR ITS OPERATIONS MANAGER HAS SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL, TAX AND BUSINESS MATTERS AND HAS PRIOR EXPERIENCE SO AS TO ENABLE FRANCHISEE OR ITS OPERATIONS MANAGER TO UTILIZE THE INFORMATION MADE AVAILABLE TO FRANCHISEE AND FULLY UNDERSTAND SUCH INFORMATION.

C. THE SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED HEREIN INVOLVES SUBSTANTIAL RISKS AND DEPENDS UPON FRANCHISEE'S ABILITY AS AN INDEPENDENT BUSINESS PERSON AND ITS ACTIVE PARTICIPATION IN THE DAILY AFFAIRS OF THE BUSINESS.

D. NO ASSURANCE OR WARRANTY, EXPRESS OR IMPLIED, HAS BEEN GIVEN TO FRANCHISEE OR ITS OPERATIONS MANAGER AS TO THE POTENTIAL SUCCESS OF SUCH BUSINESS VENTURE OR THE EARNINGS LIKELY TO BE ACHIEVED.

E. NO STATEMENT, REPRESENTATION OR OTHER ACT, EVENT OR COMMUNICATION, EXCEPT AS SET FORTH IN THIS DOCUMENT AND IN ANY DISCLOSURE DOCUMENT SUPPLIED TO FRANCHISEE, IS BINDING ON OFFC IN CONNECTION WITH THE SUBJECT MATTER OF THIS AGREEMENT, AND, IN ENTERING INTO THIS AGREEMENT, FRANCHISEE IS NOT RELYING ON THE EXISTENCE OR NON-EXISTENCE OF ANY FACT OR MATTER NOT SET FORTH IN THIS AGREEMENT OR IN A DISCLOSURE DOCUMENT SUPPLIED TO FRANCHISEE.

F. NEITHER FRANCHISEE, NOR ANY FRANCHISEE AFFILIATE, IS SUBJECT TO UNITED STATES EXECUTIVE ORDER 13224 OR THE PATRIOT ACT. IF FRANCHISEE OR

ANY FRANCHISEE AFFILIATE BECOMES SUBJECT TO UNITED STATES EXECUTIVE ORDER 13224 OR THE PATRIOT ACT, FRANCHISEE OR THAT FRANCHISEE AFFILIATE SHALL NOTIFY OFFC IMMEDIATELY THEREOF.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

The parties have executed this Agreement to be made effective as of the ___ day of _____, 202___.

OFFC:
OXI FRESH FRANCHISING CO., INC.,
a Colorado corporation

By: _____
Date: _____

Address for Notice:

143 Union Boulevard, Suite 825
Lakewood, Colorado, U.S.A. 80228
Fax No: 303-716-2955
E-mail Address: info@oxifresh.com

FRANCHISEE:
IF AN INDIVIDUAL:

_____
Franchisee, Individually

Print Name: _____

IF A PARTNERSHIP, CORPORATION OR OTHER ENTITY:

_____

By: _____

Print Name: _____
Date: _____

Address for Notice: _____
_____

Fax No: ___-___-____

E-mail Address: _____

EXHIBIT I
TO FRANCHISE AGREEMENT

ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to the Franchise Agreement (the "**Addendum**"), dated as of the date set forth below, modifies and amends that certain Franchise Agreement (the "**Agreement**"), by and between Oxi Fresh Franchising Co., Inc., hereinafter "**OFFC**" and the undersigned franchisee, hereinafter "**Franchisee.**" This Addendum modifies the terms of the Agreement and in the event of a conflict in terms between the Agreement and this Addendum, the terms of this Addendum shall be controlling.

The parties agree as follows:

1. Number of Franchises. The number of Franchises granted, referenced in **Section 2.1** of the Agreement, is: _____.

2. Protected Territory. The Protected Territory (or Protected Territories, if multiple Franchises are granted under the Agreement), referenced in **Section 4.2.a** of the Agreement, will be the geographical area(s) described as follows: _____.

3. OXI FRESH Location. The site for the OXI FRESH Location agreed to by OFFC and Franchisee, as referenced in **Section 4.1** of the Agreement, will be: _____.

4. Initial Franchise Fee. The Initial Franchise Fee, as referenced in **Section 5.1** of the Agreement is $_____.

5. Royalty Fee. The initial total Royalty Fee, as referenced in **Section 12.1** of the Agreement is $_____ per month, representing a Royalty Fee of $_____ per month for each Franchise acquired.

6. Minimum Advertising and Technology Fee. The initial minimum Advertising and Technology Fee, as referenced in **Section 12.2** of the Agreement, is $_____ per month, representing a minimum Advertising and Technology Fee of $_____ per month for each Franchise acquired.

7. Job Fee. Based on the number of Co-Op Lines and Market Expansion Lines provided by OFFC for Franchisee's use, the portion of the Job Fee payable for the Co-Op Line(s) and Market Expansion Line(s) pursuant to **Section 12.3.b** and **12.3.c** of the Agreement shall initially be $_____ per month. Based on the number of Franchises granted to Franchisee, the portion of the Job Fee payable for the Toll-Free Number pursuant to **Section 12.3.d** of the Agreement shall initially be $_____ per month.

8. Payment of Royalty Fee in Advance. As referenced in **Section 12.5.b**, OFFC requires that Franchisee pay the amount of $_____ in Royalty Fees in advance upon execution of this Agreement for those additional Franchises acquired, if any.

9. Other Terms: _____
_____
_____

Fully executed this ____ day of _____, 202____.

OFFC:

OXI FRESH FRANCHISING CO., INC.

By: _____
Title: _____
Date: _____

FRANCHISEE:

By: _____
Title: _____
Date: _____

EXHIBIT II
TO FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of Franchise Agreement (the "**Franchise Agreement**") executed on the date set forth below is by and between each of the undersigned and **OXI FRESH FRANCHISING CO., INC.,** a Colorado corporation, having its head office at 143 Union Boulevard, Suite 825, Lakewood, Colorado, U.S.A. 80228 ("**OFFC**"), each of the undersigned personally and unconditionally:

1. Guarantees to OFFC and its successors and assigns, for the Term, including successor franchise terms thereof, that the franchisee named on the signature page hereof ("**Franchisee**") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Franchise Agreement.

2. Agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Agreement, including but not limited to, the terms of the articles and sections pertaining to non-competition during the Term, confidentiality and the Marks and Copyrighted Works of OFFC.

3. Waives all of the following:

(a) Acceptance and notice of acceptance by OFFC of the foregoing undertaking.

(b) Notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed.

(c) Protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed.

(d) Any right he or she may have to require that any action be brought against Franchisee or any other person as a condition of liability.

(e) Notice of any amendment, modification, deletion or addition of any term or condition of or to any of the obligations hereby guaranteed.

(f) Notice of any termination as to future liability of any other guarantor.

(g) Any and all other notices and equitable defenses to which he or she may be entitled.

4. Consents and agrees that:

(a) His or her direct and immediate liability under this Guaranty shall be joint and several.

(b) He or she shall render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses punctually to do so.

(c) Such liability shall not be contingent or conditioned upon pursuit by OFFC of any remedies against Franchisee or any other person.

(d) Such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which OFFC 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 shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the Term, including successor franchise terms thereof.

(e) He or she shall be bound by the restrictive covenants, confidentiality provisions, audit provisions, and indemnification provisions contained in the Franchise Agreement.

(f) OFFC may, at its option, without notice to or further consent of him or her, take any of the following actions:

(i) retain the primary or secondary liability of any other party with respect to all or any part of the obligations hereby guaranteed.

(ii) release or compromise any liability of any other guarantor or any other party with respect to the obligations hereby guaranteed.

(iii) amend, modify, delete, or add any term or condition of or to any of the obligations hereby guaranteed, which may include the creation of new obligations.

5. No delay or neglect on the part of OFFC in the exercise of any right or remedy existing under law or by virtue of this Guaranty shall operate as a waiver thereof, but such rights and remedies shall continue in full force and effect until specifically waived or released by an instrument in writing executed by OFFC and designated as a waiver or release; and no single or partial exercise by OFFC of any right or remedy shall preclude further exercise thereof or the exercise of any right or remedy.

6. The arbitration, injunctive relief, governing law and jurisdiction provisions contained in the Franchise Agreement shall govern this Guaranty, and such provisions are incorporated into this Guaranty by this reference.

7. This Guaranty may be executed via electronic signature.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature effective on the ___ day of _____, 202___.

Name of Franchisee:

_____

GUARANTOR(S)

_____

_____
Print Name

_____
Address

_____

Telephone Number _____

_____

_____
Print Name

_____
Address

_____

Telephone Number _____

_____

_____
Print Name

_____
Address

_____

Telephone Number _____

ALBERTA GUARANTEES ACKNOWLEDGMENT ACT

(Section 3)

CERTIFICATE

I HEREBY CERTIFY THAT:

1. (guarantor's name), the guarantor in the guarantee dated _____ made between _____ and _____, which this certificate is attached to or noted on, appeared in person before me and acknowledged that he/she had executed the guarantee.

2. I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.

CERTIFIED by (print name), Barrister and Solicitor at the _____ of _____, in the Province of Alberta, this _____ day of _____, 202__.

_____
Signature

STATEMENT OF GUARANTOR

I am the person named in this certificate.

_____
Signature of Guarantor

EXHIBIT III
TO FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP

STATEMENT OF OWNERSHIP

Franchisee: _____

Trade Name (if different from above): _____

Form of Ownership (Check One):

____ **Individual** ____ **Partnership** ____ **Corporation** ____ **Limited Liability Company** ____ **Other**

If a **Partnership**, provide name and address of each partner showing percentage owned and whether each is active in management, indicate the country, state and/or province in which the partnership was formed and the date it was formed, and provide a copy of the Partnership Agreement.

If a **Corporation**, provide the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each, indicate the country, state and/or province and date of incorporation, and provide a copy of the Articles of Incorporation certified by the Secretary of State or other official for the country, state and/or province in which the corporation was formed.

If a **Limited Liability Company**, provide name and address of each member and each manager showing percentage owned, indicate the country, state and/or province in which the Limited Liability Company was formed and the date it was formed, and provide a copy of the Articles of Organization certified by the Secretary of State or other official for the country, state and/or province in which the Limited Liability Company was formed and the Operating Agreement.

If **another type of business entity**, provide the names and addresses of the owners and any officers or managers showing percentage owned, indicate the country, state and/or province in which the business entity was formed and the date it was formed, and provide a copy of any articles of formation and governing agreements certified, if applicable, by the Secretary of State or other official for the country, state and/or province in which the business entity was formed.

_____

_____

_____

_____

Franchisee acknowledges that this Statement of Ownership applies to the Oxi Fresh Franchising Co., Inc. Franchise authorized under Franchise Agreement.

Use additional sheets if necessary. Any and all changes to the above information must be reported to Oxi Fresh Franchising Co., Inc. in writing.

Date _____ Name _____

EXHIBIT IV
TO FRANCHISE AGREEMENT

AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS (DIRECT DEBITS)

AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS
(DIRECT DEBITS)

The undersigned franchisee ("**Franchisee**") hereby (1) authorizes OXI FRESH FRANCHISING CO., INC. ("**Company**") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account indicated below for payment of all fees, amounts and obligations that become payable by Franchisee to Company; and (2) authorizes and requests the depository designated below ("**Depository**") to debit such account pursuant to Company's instructions without responsibility for the correctness of these payments, subject to there being sufficient funds in Franchisee's account to cover such debit entries.

The dollar amount to be debited will vary and the dates on which the debits are initiated will vary.

Depository	Branch

Street Address	City	State	Zip Code

Bank Transit/ABA Number	Account Number

Franchisee states and acknowledges that the account described above has been established, and that this authority is extended, primarily for commercial purposes, and not for personal, family, or household purposes.

This authority is to remain in full force and effect until Depository has received joint written notification from Company and Franchisee of the Franchisee's termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity to act on it. Franchisee agrees to not revoke any authorization for funds transfer prior to the termination of its Franchise Agreement with Company, without the prior written consent of Company. Any termination or dishonor of this authority shall not relieve Franchisee of its obligation to make payments to Company, whether pursuant to the Franchise Agreement or otherwise.

Franchisee is responsible for, and must pay on demand, all costs or charges relating to the handling of debit entries pursuant to this authority.

FRANCHISEE (Print Name)	DEPOSITORY (Print Name)

Franchisee:_____
By:_____
Title:_____
Address:_____
_____
Date:_____

Franchisee should also provide Company with a voided check.

EXHIBIT V
TO FRANCHISE AGREEMENT

CREDIT CARD AUTHORIZATION

CREDIT CARD AUTHORIZATION

This Credit Card Authorization (this "**Authorization**") is entered into this ___ day of _____, 202___ by the undersigned credit card account owner ("**Owner**"). Owner agrees that Oxi Fresh Franchising Co., Inc. ("**OFFC**") may charge (in OFFC's sole discretion) the account(s) listed below for payment of past due fees, interest charges, or other past due charges owed to OFFC (as specified below), as follows:

1. Owner authorizes OFFC to charge Owners account(s), as listed below, for all Royalty Fees, Advertising and Technology Fees, Job Fees, Noncompliance Service Charges, late fees, interest charges, Insufficient Funds Fees, and other fees or amounts owed by Owner to OFFC as set forth in one or more Franchise Agreements between Owner, or a company controlled by Owner, and OFFC; and for other amounts owed by Owner, or a company controlled by Owner, to OFFC under any agreement between the parties.

Type of Credit Card: _____ VISA _____ MASTERCARD

Credit Issuer: _____ Billing Address: _____

_____

Account Number: _____ Expiration Date: _____

Current Credit Limit: $ _____

Type of Credit Card: _____ VISA _____ MASTERCARD

Credit Issuer: _____ Billing Address: _____

_____

Account Number: _____ Expiration Date: _____

Current Credit Limit: $ _____

2. Owner agrees that this Authorization will remain in effect for each OFFC Franchise Agreement of Owner, or a company controlled by Owner, throughout the duration of the applicable Franchise Agreement, unless OFFC agrees to an earlier termination of this Authorization. Owner agrees not to revoke any Authorization prior to the termination of the applicable Franchise Agreement, without prior written consent of OFFC. Owner agrees that the credit card issuer cannot cancel this Authorization without receiving written consent from OFFC.

3. Owner agrees to maintain, at all times, sufficient available credit in each account covered by this Authorization to pay all due amounts and associated charges, as listed above, but, in any event the available credit on each account will not be less than $5,000.00. Owner shall notify OFFC of the expiration, termination, or any other change in its account(s) covered by this Agreement, within one business day of the change, providing new account numbers and other information requested by OFFC.

Owner agrees to execute a new Authorization within three business days after receipt of a new Authorization form from OFFC.

4. Owner agrees that OFFC may charge Owner's account(s) listed above, as applicable, whenever fees owed by Owner, or a company controlled by Owner, are past due, as follows:

(a) OFFC may charge Owner's credit card account(s) for the amount of all Royalty Fees, Advertising and Technology Fees, Job Fees, Noncompliance Service Charges, late fees, interest charges, Insufficient Funds Fees, and other fees or amounts owed by Owner to OFFC as set forth in one or more Franchise Agreements between Owner, or a company controlled by Owner, and OFFC, each time Owner, or a company controlled by Owner, does not otherwise pay its fees or other amounts when due.

(b) OFFC may charge the following late fee and interest to Owner's credit card account, with or apart from the actual Royalty Fees, Advertising and Technology Fees, Job Fees, Noncompliance Service Charges, late fees, interest charges, Insufficient Funds Fees, and other fees or amounts owed by Owner to OFFC, as specified above. The late fee is $50.00 per incident. If any payment required to be made by Owner to OFFC under a Franchise Agreement is past due, OFFC may also charge Owner's account(s) interest on the past due amount at the lesser of 1.5 percent per month, or the highest rate allowable per law, accruing from the date of the default. Further, any time an electronic funds transfer transaction, credit card transaction, or other payment method is not honored or effective, Franchisee shall pay OFFC an insufficient funds fee (the "**Insufficient Funds Fee**") equal to 3 percent of the actual amount due.

5. OFFC may bill Owner directly for any amounts owed by Owner, or a company controlled by Owner, to OFFC for which OFFC does not charge Owner's account(s) under this Authorization.

6. A company is considered to be "controlled by Owner" if Owner is a guarantor of a Franchise Agreement between the company and OFFC; or if Owner has a 10 percent or greater shareholder, partnership, or member interest in the company, or is the sole proprietor of the company.

7. Owner agrees to execute any other documents required by any credit card processing company, any credit card issuer, any other entity, or by law, as necessary to enable OFFC to exercise the rights granted to it by this Authorization.

8. All capitalized terms not defined in this Authorization are defined as in the applicable Franchise Agreement between OFFC and Owner.

OWNER:

_____

By: _____

Print Name: _____

Title: _____

EXHIBIT VI
TO FRANCHISE AGREEMENT

RIDERS TO FRANCHISE AGREEMENT FOR SPECIFIC COUNTRIES, STATES, AND PROVINCES

RIDERS TO FRANCHISE AGREEMENT FOR SPECIFIC COUNTRIES, STATES, AND PROVINCES

If any one of the following Riders to the Franchise Agreement for Specific Countries, States, and Provinces ("Riders") is checked as an "Applicable Rider" below, then that Rider shall be incorporated into the Franchise Agreement entered into by Oxi Fresh Franchising Co., Inc. and the undersigned Franchisee. To the extent any terms of an Applicable Rider conflict with the terms of the Franchise Agreement, the terms of the Applicable Rider shall supersede the terms of the Franchise Agreement.

Applicable Rider:

UNITED STATES

- ☐ California
- ☐ Hawaii
- ☐ Illinois
- ☐ Indiana
- ☐ Maryland
- ☐ Minnesota
- ☐ New York
- ☐ North Dakota
- ☐ Rhode Island
- ☐ South Dakota
- ☐ Virginia
- ☐ Washington
- ☐ Wisconsin

CANADA

- ☐ Quebec

OXI FRESH FRANCHISING CO., INC.

By: _____

Title: _____

_____
FRANCHISEE (Print Name)

By: _____

Title: _____

UNITED STATES RIDERS TO THE FRANCHISE AGREEMENT

CALIFORNIA RIDER TO THE FRANCHISE AGREEMENT

1. The following language is added at the end of **Article 5**:

The Department of Business Oversight requires that OFFC defer the collection of all initial fees from California franchisees until OFFC has completed all its pre-opening obligations and the franchisee is open for business.

2. **Section 22.5** is deleted and replaced with the following language:

The United States Federal Arbitration Act shall govern all questions about the enforceability of the dispute resolution procedures in this Agreement and the confirmation of any arbitration awards pursuant to such procedures, and no arbitration issues are to be resolved pursuant to any other statutes, regulations or common law. Otherwise, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or applicable international trademark law, this Agreement shall be interpreted under the laws of the State of Colorado, U.S.A. and any dispute between the parties shall be governed by and determined in accordance with the internal substantive laws (and not the laws of conflict) of the State of Colorado, U.S.A., which laws shall prevail in the event of any conflict of law. Notwithstanding the foregoing, the parties agree that the Colorado Consumer Protection Act (COLO. REV. STAT. ANN. Section 6-1-101, et seq.) shall not apply to this Agreement or any disputes between the parties. If a claim is asserted in any legal proceeding not subject to mandatory arbitration, as specified in **Section 22.1** above, involving Franchisee and/or the Franchisee Affiliates and OFFC and/or the OFFC Affiliates, both parties consent to jurisdiction and venue for disputes between them in the state and federal courts of Colorado, U.S.A., and each waive any objection either may have to the personal jurisdiction of or venue in the state and federal courts of Colorado, U.S.A. Notwithstanding the foregoing, any legal proceeding by OFFC or any OFFC Affiliate not subject to mandatory arbitration may be brought in any court of competent jurisdiction in the country, state, province, or other geographic area in which the OXI FRESH Business is located or in which Franchisee or any Franchisee Affiliate resides or owns assets. IF A CLAIM MAY BE BROUGHT IN COURT, THEN OFFC, THE OFFC AFFILIATES, FRANCHISEE, AND THE FRANCHISEE AFFILIATES EACH WAIVE THEIR RIGHTS TO A TRIAL BY JURY.

HAWAII RIDER TO THE FRANCHISE AGREEMENT

1. The following language is added at the end of **Sections 3.3.e** and **17.3.d**:

Any release executed herewith will not apply to any claims that Franchisee may have that have arisen under the Hawaii Franchise Investment Law.

2. The following paragraph is added to **Article 18**:

Section 482E-6(3) of the Hawaii Revised Statutes provides that upon termination or refusal to renew the Franchise, OFFC is obligated to compensate Franchisee for the fair market value, at the time of the termination or expiration of Franchise, of Franchisee's inventory,

supplies, equipment and furnishings purchased from OFFC or a supplier designated by OFFC; provided that personalized materials which have no value to OFFC need not be compensated for. If OFFC refuses to renew a Franchise for the purpose of converting Franchisee's business to one owned and operated by OFFC, OFFC, in addition to the remedies provided above, shall compensate Franchisee for the loss of goodwill. OFFC may deduct from such compensation reasonable costs incurred in removing, transporting and disposing of Franchisee's inventory, supplies, equipment and furnishings pursuant to this requirement, and may offset from such compensation any monies due OFFC.

ILLINOIS RIDER TO THE FRANCHISE AGREEMENT

1. The following language is added at the end of **Article 5**:

All initial fees payable to OFFC and any of its affiliates shall be deferred until OFFC has fulfilled all of its initial obligations to Franchisee and Franchisee has commenced doing business pursuant to this Agreement. The Illinois Attorney General's Office imposed this deferral requirement due to OFFC's financial condition.

2. Illinois law governs this Agreement.

3. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

4. Franchisee's rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

5. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

INDIANA RIDER TO THE FRANCHISE AGREEMENT

The following modifications are made to the Franchise Agreement only to the extent required by the Indiana Franchises Act, IND. CODE § 23-2-2.5, and the Indiana Deceptive Franchise Practices Act, IND. CODE § 23-2-2.7:

1. The following language is added to **Sections 4.2** and **4.3**:

Indiana law prohibits OFFC from establishing an OFFC-owned outlet engaged a substantially identical business within Franchisee's Protected Territory.

2. The following language is added to the end of **Sections 3.3.e** and **17.3.d**:

Any release executed in connection herewith will not apply to any claims that may arise under the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Act.

3. The words "or any Protected Territory of any OXI FRESH Business owned by OFFC, any affiliate of OFFC or any other franchisee of OFFC" are deleted from **Section 20.2**.

4. **Section 22.5** is deleted and replaced with the following language:

The United States Federal Arbitration Act shall govern all questions about the enforceability of the dispute resolution procedures in this Agreement and the confirmation of any arbitration awards pursuant to such procedures, and no arbitration issues are to be resolved pursuant to any other statutes, regulations or common law. Otherwise, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or applicable international trademark law, disputes related to a violation of the Indiana Franchises Act or the Indiana Deceptive Franchise Practices Act shall be governed thereby, and all other matters regarding this Agreement shall be governed by the laws of the State of Colorado, U.S.A., which laws shall prevail in the event of any conflict of law. Notwithstanding the foregoing, the parties agree that the Colorado Consumer Protection Act (COLO. REV. STAT. ANN. Section 6-1-101, et seq.) shall not apply to this Agreement or any disputes between the parties. Subject to the foregoing, Franchisee and OFFC have negotiated regarding a forum in which to resolve any disputes that may arise between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding not subject to mandatory arbitration, as specified in **Section 22.1** above, involving Franchisee and/or the Franchisee Affiliates and OFFC and/or the OFFC Affiliates, the parties agree that the exclusive venue for disputes between them shall be in the state and federal courts of Colorado, U.S.A., and each waive any objection either may have to the personal jurisdiction of or venue in the state and federal courts of Colorado, U.S.A. Notwithstanding the foregoing, any legal proceeding by OFFC or any OFFC Affiliate not subject to mandatory arbitration may be brought in any court of competent jurisdiction in the country, state, province, or other geographic area in which the OXI FRESH Business is located or in which Franchisee or any Franchisee Affiliate resides or owns assets. IF A CLAIM MAY BE BROUGHT IN COURT, THEN OFFC, THE OFFC AFFILIATES, FRANCHISEE AND THE FRANCHISEE AFFILIATES EACH WAIVE THEIR RIGHTS TO A TRIAL BY JURY.

5. The following sentence is added at the end of **Section 23.2**:

Notwithstanding anything to the contrary in this provision, Franchisee does not waive any right under the Indiana statutes with regard to prior representations made by OFFC.

6. **Section 23.9** is deleted and replaced with the following language:

Notwithstanding anything contained in this Agreement to the contrary, any and all claims and actions arising out of or relating to this Agreement, the relationship between Franchisee and OFFC, or Franchisee's operation of the OXI FRESH Business must be commenced within the time period specified in Indiana law.

MARYLAND RIDER TO THE FRANCHISE AGREEMENT

1. The following language is added at the end of **Sections 3.3.e** and **17.3.d**:

Any release executed in connection herewith will not apply to any claims that may arise under the Maryland Franchise Registration and Disclosure Law.

2. The following language is added at the end of **Article 5**:

All initial fees and payments payable to OFFC shall be deferred until OFFC has completed its initial obligations to Franchisee.

3. The following language is added at the end of **Article 22**:

Franchisee may commence any cause of action against OFFC in any court of competent jurisdiction, including the state or federal courts of Maryland, unless otherwise governed by the arbitration provisions of this Agreement.

4. The following sentence is added to the end of **Sections 23.2** and **23.28**:

Provided, however, that this provision is not limited to, nor shall it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Laws.

5. **Section 23.9** is amended by adding the following thereto:

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

MINNESOTA RIDER TO THE FRANCHISE AGREEMENT

1. **Articles 3, 17, and 18** are modified by the following language:

OFFC will comply with Minnesota Statutes, Section 80C.14, Subds. 3, 4 and 5, which require (except in certain specified cases) (1) that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of this Agreement, and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

2. The following language is added at the end of **Sections 3.3.e** and **17.3.d**:

Any release executed in connection herewith will not apply to any claims that may arise under the Minnesota Franchise Act.

3. **Section 15.6** is modified by the following language:

OFFC agrees to protect Franchisee against claims of infringement or unfair competition with respect to Franchisee's authorized use of the Marks when the Franchisee's rights granted therein warrant protection.

4. **Section 22.4** is modified by the following language:

Pursuant to Minnesota Rule 2860.4400(J), a franchisee cannot consent to a franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. Also, a court will determine if a bond is required.

5. **Section 22.5** is modified by the following language:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit OFFC from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Franchisee to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the Franchise Disclosure Document or this Agreement can abrogate or reduce (1) any of 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 above language has been included in this Agreement as a condition to registration. OFFC and Franchisee do not agree with the above language and believes that each of the provisions of the Agreement are fully enforceable. OFFC and Franchisee intend to fully enforce all of the provisions of the Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

6. The following statement is added at the end of **Section 23.9**:

Minnesota law provides that no action may be commenced pursuant to Minnesota Statute Section 80C.17 more than three years after the cause of action accrues. Minnesota Statutes, Section 80C.17, Subd. 5.

NEW YORK RIDER TO THE FRANCHISE AGREEMENT

1. The following is added at the end of **Sections 3.3.e** and **17.3.d**:

Provided however, that all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law, Section 687.4 and 687.5 be satisfied.

2. The following sentence is added to **Section 9.3**:

Any new or different requirements set forth in the Procedures Manual shall not unreasonably increase Franchisee's obligations or place an excessive burden on Franchisee's operation of its OXI FRESH Business.

3. The following sentence is added to **Section 17.1**:

However, no assignment shall be made except to an assignee who, in the good faith judgment of OFFC, is willing and able to assume OFFC's obligations under this Agreement.

4. The following is added to **Article 18**:

Franchisee may terminate this Agreement upon any grounds available by law.

5. The following is added to **Section 19.3**:

However, Franchisee shall not be required to indemnify OFFC for any liabilities which arose as a result of OFFC's breach of this Agreement or other civil wrongs committed by OFFC.

6. The following sentence is added to **Section 22.5**:

The foregoing choice of law should not be considered a waiver of any right conferred upon either OFFC or Franchisee by the General Business Law of the State of New York, Article 33. This language has been included in this Agreement as a condition to registration. OFFC and Franchisee do not agree with the above language and believe that each of the provisions of the Agreement, including all choice-of-law provisions, are fully enforceable. OFFC and Franchisee intend to fully enforce all of the provisions of the Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

NORTH DAKOTA RIDER TO THE FRANCHISE AGREEMENT

1. The following is added at the end of **Sections 3.3.e** and **17.3.d**:

Any release executed in connection herewith shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.

2. The following is added at the end of **Article 5**:

All initial fees payable to OFFC and any of its affiliates shall be deferred until OFFC has fulfilled its initial obligations to Franchisee under this Agreement and Franchisee has commenced doing business pursuant to this Agreement.

3. The following sentence is added at the end of **Section 20.2**:

Covenants not to compete, such as those mentioned above, are generally considered unenforceable in the State of North Dakota.

4. **Section 22.1** is deleted and replaced with the following language:

All controversies, disputes, claims, causes of action and/or alleged breaches or failures to perform between OFFC, its subsidiaries and affiliated companies or their shareholders, officers, directors, members, managers, partners, agents, employees and attorneys (in their representative capacity) (collectively, the "**OFFC Affiliates**") and Franchisee and the Franchisee Affiliates (as defined in Section 20.1 above) arising out of or related to: (1) this Agreement; (2) the relationship of the parties; (3) the validity of this Agreement; or (4) any Licensed Methods, will be submitted on demand of either party for arbitration to the Denver, Colorado, U.S.A. office of either the Judicial Arbiter Group ("**JAG**") or the American Arbitration Association ("**AAA**"), as selected by the party submitting the demand; except for actions brought which are related to or based on the Marks or the copyrights of OFFC or to enforce the provisions of **Article 20** of this Agreement, which actions OFFC, at its option, may bring either in a court of competent jurisdiction or in arbitration. Notwithstanding the language above, if the action is based on a separate agreement or instrument between Franchisee or the Franchisee Affiliates and OFFC or the OFFC Affiliates (such as a promissory note or lease), the dispute resolution procedure in that agreement or instrument will control, rather than this Section; provided, that, at OFFC's sole option, any claim of OFFC or any OFFC Affiliate against Franchisee or any Franchisee Affiliate based on such

other agreement or instrument may be brought in arbitration in conjunction with a dispute between the parties that is subject to arbitration under this Section, regardless of any provisions to the contrary contained in that other agreement or instrument. The arbitration shall be conducted at a place mutually agreed upon by the parties, but only if there is a valid and legal restriction of the North Dakota Securities Commissioner to prohibit the parties from agreeing to a site of arbitration in Denver, Colorado, U.S.A. Unless this restriction is found to be valid and legal, the parties agree that arbitration shall take place in Denver, Colorado, U.S.A. Arbitration proceedings will be heard by one arbitrator in accordance with the then current rules of AAA that apply to commercial arbitration. The decision as to whether a claim is subject to mandatory arbitration shall be made by an arbitrator, not a court, except that the decision whether the arbitration may proceed as a class action shall be made by a court. The arbitrator shall be a resident of the State of Colorado, U.S.A. knowledgeable of Colorado law and fluent in English. The arbitration proceeding and all other hearings shall be conducted in English only, although Franchisee shall have the right, at Franchisee's option and sole expense, to have a translator present at the proceeding or other hearings. The expense of a translator shall not be considered a cost or expense related to an action pursuant to **Section 23.11.b** of this Agreement. The parties further agree that, in connection with any arbitration proceeding, each will file any compulsory counterclaim (as defined by Rule 13 of the United States Federal Rules of Civil Procedure) within 30 days after the date of the filing of the claim to which it relates. Any party to an arbitration proceeding may apply to the arbitrator for reasonable discovery from the other. In this Agreement, "reasonable discovery" means a party may submit no more than ten interrogatories, including subparts, 25 requests for admission, 25 document requests, and 3 depositions per side of the dispute. The foregoing discovery rights and limitations shall control over any contradictory discovery rules of AAA, unless the parties agree otherwise.

5. The first sentence of **Section 22.2** is deleted and the following is inserted in its place:

The arbitrator will have the right to award or include in the award any relief which the arbitrator deems proper in the circumstances, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, and attorneys' fees and costs, in accordance with this Agreement.

6. **Section 22.5** is deleted and the following is inserted in its place:

The United States Federal Arbitration Act shall govern all questions about the enforceability of the dispute resolution procedures in this Agreement and the confirmation of any arbitration awards pursuant to such procedures, and no arbitration issues are to be resolved pursuant to any other statutes, regulations or common law. Otherwise, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or applicable international trademark law, all matters regarding this Agreement arising out of the North Dakota Franchise Investment Law shall be governed thereby and all other matters regarding this Agreement shall be governed by the laws of the State of North Dakota.

7. Neither Franchisee nor OFFC waives its right to seek exemplary or punitive damages from the other party in any action between them. **Section 22.6** is modified accordingly.

RHODE ISLAND RIDER TO THE FRANCHISE AGREEMENT

1. The following paragraph is added at the end of **Section 22.1**:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

The above language has been included in this Agreement as a condition to registration. OFFC and Franchisee do not agree with the above language and believe that each of the provisions of the Agreement, including all choice of law provisions, are fully enforceable. OFFC and Franchisee intend to fully enforce all of the provisions of the Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

SOUTH DAKOTA RIDER TO THE FRANCHISE AGREEMENT

1. The following is added to the end of **Article 5**:

All initial fees payable to OFFC and any of its affiliates shall be deferred until OFFC has fulfilled its initial obligations to Franchisee and Franchisee has commenced operations pursuant to this Agreement.

VIRGINIA RIDER TO THE FRANCHISE AGREEMENT

1. The following is added to the end of **Section 23.20**:

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

WASHINGTON RIDER TO THE FRANCHISE AGREEMENT

1. The State of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in Franchisee's relationship with OFFC including the areas of termination and renewal of Franchisee's franchise. There may also be court decisions which may supersede the franchise agreement in Franchisee's relationship with OFFC including the areas of termination and renewal of Franchisee's franchise.

2. In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

4. 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 unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

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

6. Washington statute, RCW 49.62.060, provides that no franchisor may restrict, restrain, or prohibit in any way a franchisee from soliciting or hiring any employee of a franchisee of the same franchisor or any employee of the franchisor itself. **Section 20.4.b** is deemed amended accordingly.

WISCONSIN RIDER TO THE FRANCHISE AGREEMENT

1. The following paragraph is added to the end of **Article 18**:

> The conditions under which this Agreement can be terminated or not renewed may be effected by the Wisconsin Fair Dealership Law, Wisconsin Statutes 1981-82, Title XIV-A, Chapter 135.

CANADA PROVINCIAL RIDER TO THE FRANCHISE AGREEMENT

QUEBEC RIDER TO THE FRANCHISE AGREEMENT

1. **Section 23.25** of the Agreement is supplemented with the following language:

The parties hereto confirm that it is their wish that this Agreement, as well as all other documents relating hereto, including notices, have been and shall be prepared in the English language only.

Les parties aux présentes confirment leur volonté que cette convention de meme que tous les documents, y compris tous avis, s'y rattachant, soient rédigés en langue anglaise seulement.

To the extent that the language above is inconsistent with **Section 23.25** of the Agreement, that Section is modified accordingly.

ATTACHMENT B
TO FRANCHISE DISCLOSURE DOCUMENT

CONFIDENTIALITY / APPLICATION AGREEMENT

OXI FRESH FRANCHISING CO., INC.
Confidentiality / Application Agreement

Oxi Fresh Franchising Co., Inc. ("OXI FRESH") hereby reserves a place for _____ ("Applicant") to participate in the initial training program of OXI FRESH, to be conducted at the OXI FRESH headquarters in Lakewood, Colorado, U.S.A., on the following dates:

Training will commence _____ and will finish _____

Applicant acknowledges that, as a part of Applicant's training (or preparation for training), Applicant will be furnished with certain proprietary information of OXI FRESH including without limitation, proprietary information concerning an OXI FRESH Business; the Licensed Methods; financial information of OXI FRESH or its franchisees other than financial information filed with any government regulatory agency; marketing methods; sales and promotional methods; operation methods; nonpublic statistical information; the strategic plan, budgets and projections for OXI FRESH; information concerning negotiations of any kind conducted by OXI FRESH whether pending or completed; marketing research data and marketing plans; information contained in the OXI FRESH Operations Manuals, and any other manual or other nonpublic written information; internal lists of franchisees and customers of OXI FRESH Businesses; and other information which may be considered a trade secret or proprietary, as such information may be further developed and modified from time to time by OXI FRESH. Applicant agrees not to divulge, or utilize in any way other than in a franchised OXI FRESH Business, any proprietary information or trade secrets of OXI FRESH disclosed during or in preparation for training at any time, without the prior written consent of OXI FRESH.

Applicant agrees that, for a period of two years from the date hereof Applicant will not (a) attempt to employ or employ (either directly or indirectly) any franchisees of OXI FRESH or any employees, agents, or representatives of OXI FRESH or of any of OXI FRESH's franchisees; (b) divert or attempt to divert any business related to OXI FRESH or any of OXI FRESH's franchisees or any client or account of OXI FRESH or any of OXI FRESH's franchisees; or (c) have any direct or indirect controlling interest in or perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for any business that operates, or grants franchises to others to operate, a business which is the same as or substantially similar to an OXI FRESH Business, including but not limited to a business that provides services related to the inspection and cleaning of commercial and/or residential carpets, rugs, upholstery, tile and grout, and hardwood flooring, and ancillary products.[1]

Upon completion of the second day of training, if Applicant's training progress is not acceptable to OXI FRESH, OXI FRESH shall have the right to refuse to sell an OXI FRESH Business franchise to Applicant, and neither party shall have any further obligation with respect to the other, except as set forth in the immediate preceding paragraph.

If Applicant's training progress is acceptable to OXI FRESH, Applicant shall, after the second day of training, have the following options:

A. Reject the opportunity to become an OXI FRESH Business franchisee, or,
B. Execute a copy of OXI FRESH's then current Franchise Agreement, complete the purchase of the franchise, and commence operations of an OXI FRESH Business.

Applicant	**OXI FRESH FRANCHISING CO., INC.**
Date	Date
Phone (Office)	
Phone (Home)	
Fax	

[1] Does not apply for Applicants who are residents of, or who will operate their OXI FRESH Business in, Alberta, Canada.

ATTACHMENT C
TO FRANCHISE DISCLOSURE DOCUMENT

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

This Nondisclosure and Noncompetition Agreement (this "**Agreement**") is made and entered into effective on the day and date set forth below, by and among OXI FRESH FRANCHISING CO., INC., a Colorado corporation ("**Oxi Fresh**"), having an address of 143 Union Boulevard, Suite 825, Lakewood, Colorado, U.S.A. 80228, the franchisee named on the signature page of this Agreement (the "**Franchisee**"), and the associate of Franchisee named on the signature page of this Agreement (the "**Associate**").

RECITALS

A. Oxi Fresh is engaged in a business of franchising to others businesses ("**OXI FRESH Businesses**") that specialize in the cleaning of commercial and residential carpets, rugs, upholstery, tile and grout floors, and hardwood floors under the marks OXI FRESH®, OXI FRESH CARPET CLEANING®, and related service marks, trademarks and trade names ("**Proprietary Marks**").

B. Oxi Fresh and its affiliates have developed proprietary methods for establishing, operating and promoting OXI FRESH Businesses utilizing certain confidential information as more fully described herein ("**Licensed Methods**"), and have established substantial goodwill and an excellent reputation with respect to the quality of the services available in a OXI FRESH Business, which goodwill and reputation have been and will continue to be of major benefit to Oxi Fresh.

C. Franchisee is a franchisee under an effective franchise agreement ("**Franchise Agreement**") with Oxi Fresh.

D. Associate is or will become involved with Franchisee in the capacity of an officer, partner, director, manager, agent, employee, independent contractor (such capacities collectively referred to as "**Affiliation**") or is related to a person who has an Affiliation with Franchisee, and will become privileged as to certain confidential information related to Oxi Fresh, its operations and the OXI FRESH Business.

E. Associate, Franchisee and Oxi Fresh have reached an understanding and agreement with regard to nondisclosure by Associate of confidential information and with respect to noncompetition by Associate with Oxi Fresh and Franchisee.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Associate, Franchisee and Oxi Fresh, intending legally to be bound, agree as follows:

1. **Confidential Information.** Associate recognizes and agrees that certain proprietary information relating to Oxi Fresh and its operations and the operations of OXI FRESH Businesses ("**Confidential Information**") is owned by Oxi Fresh and is treated as confidential by Oxi Fresh and Franchisee, including without limitation, all proprietary information concerning OXI FRESH Businesses; the Licensed Methods; all financial information of Oxi Fresh or Franchisee other than financial information filed with any government regulatory agency; marketing methods; sales and promotional methods; all nonpublic statistical information; the strategic plan, budgets and projections for Oxi Fresh; all information concerning negotiations of any kind conducted by Oxi Fresh whether pending or completed; all marketing research data and marketing plans; all information contained in the Oxi Fresh operations manuals, and any other manual or other nonpublic written information; internal lists of franchisees and customers of OXI FRESH Businesses; and all other information which may be

considered a trade secret or proprietary and such Confidential Information as may be further developed from time to time by Oxi Fresh.

2. **Use and Disclosure of Confidential Information.** Associate acknowledges that, in connection with Associate's Affiliation with Oxi Fresh or Franchisee, Oxi Fresh or Franchisee will disclose in strict confidence certain Confidential Information necessary for the operation of an OXI FRESH Business. Associate specifically acknowledges that the Confidential Information is valuable, unique and comprises a substantial portion of the assets of Oxi Fresh; and Associate agrees that he or she will not utilize all or any portion of the same for Associate's personal benefit during the term of Associate's Affiliation with Franchisee, nor in any manner use the same subsequent to the termination of Associate's Affiliation with Oxi Fresh or Franchisee or the termination or expiration of the Franchise Agreement, nor disclose any of the same to any person, firm, corporation or other entity whatsoever at any time for any reason or purpose, without the prior written consent of Oxi Fresh. Associate shall not copy, publish or otherwise duplicate the Confidential Information or permit others to do so and shall return all Confidential Information to Franchisee upon termination of Associate's Affiliation with Franchisee. Associate may disclose to other employees, agents, or representatives of Oxi Fresh or Franchisee the Confidential Information only to the extent necessary for such employees, agents or representatives to carry out their intended function.

3. **Noncompetition Covenant.** Associate covenants and agrees that, during the term of his or her Affiliation, except in conjunction with Franchisee's OXI FRESH Business in a manner authorized by Oxi Fresh and Franchisee, Associate shall not, either directly or indirectly through any member of Associate's immediate family, separate business entity, or otherwise:

(a) have any direct or indirect controlling interest as a disclosed or beneficial owner in a Competitive Business, defined below;

(b) perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business;

(c) divert or attempt to divert any business related to Oxi Fresh, Franchisee or any other franchisee of Oxi Fresh to any Competitive Business by direct inducement or otherwise; or

(d) divert or attempt to divert the employment of any employee or representative of Oxi Fresh, Franchisee or any other franchisee of Oxi Fresh to any Competitive Business by any direct inducement or otherwise.

The term "**Competitive Business**" as used in this Agreement means any business which engages in, or licenses or franchises others to engage in, or promotes potential franchisees to engage in, a business which is the same as or substantially similar to a OXI FRESH Business; including but not limited to a business that provides services related to the inspection and cleaning of commercial and/or residential carpets, rugs, upholstery, tile and grout, and hardwood flooring, and ancillary products. Notwithstanding the foregoing, Associate will not be prohibited by this Agreement from owning securities in a Competitive Business if such securities are listed on a stock exchange or traded on the over-the-counter market and represent 2 percent or less of that class of securities issued and outstanding.

4. **Post-Termination Covenant Not to Compete.** Associate covenants and agrees that, for a period of two years after the earlier of (i) the effective date of termination or expiration of Associate's Affiliation with Franchisee or Oxi Fresh, or (ii) the effective date of termination or expiration of the Franchisee's Franchise Agreement, neither Associate, nor any member of Associate's immediate family,

shall (a) have any direct or indirect interest, as a disclosed or a beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent or in any other capacity, in or with any Competitive Business located or operating within the Protected Territory, as defined in Franchisee's Franchise Agreement with Oxi Fresh, in which Franchisee's OXI FRESH Business is located or within 20 miles of the Protected Territory, as defined in the respective Franchise Agreement, of Franchisee or any other franchised OXI FRESH Business; or (b) divert or attempt to divert any business related to Franchisee, Oxi Fresh or any other Oxi Fresh franchisee to any Competitive Business, by direct inducement or otherwise. Associate expressly acknowledges that he or she possesses business and career skills and abilities of a general nature and has other opportunities for exploiting such skills and abilities. Consequently, enforcement of this covenant will not deprive Associate of his or her personal goodwill or ability to earn a living. If Associate or any member of Associate's immediate family breaches any of Sections 4 through 6, then the two-year period applicable for each of these covenants shall start on the date that Associate or its family member, as applicable, is enjoined from such activity or ceases such activity, whichever is later.

5. **No Interference.** Associate covenants and agrees that, for a period of two years after the earlier of (i) the effective date of termination or expiration of Associate's Affiliation with Franchisee or Oxi Fresh, or (ii) the effective date of termination or expiration of the Franchisee's Franchise Agreement, neither Associate, nor any member of Associate's immediate family, shall interfere with the business of Oxi Fresh by interfering with or disrupting, or attempting to interfere with or disrupt, the relationship, contractual or otherwise, between Oxi Fresh or Franchisee and any of their existing or prospective franchisees, customers, suppliers, partners or joint venturers.

6. **No Diversion of Employees.** Associate covenants and agrees that, for a period of two years after the earlier of (i) the effective date of termination or expiration of Associate's Affiliation with Franchisee or Oxi Fresh, or (ii) the effective date of termination or expiration of the Franchisee's Franchise Agreement, neither Associate, nor any member of Associate's immediate family, shall divert or attempt to divert the employment of any employee or other Authorized Representative, as defined in the respective Franchise Agreement, of Franchisee, of Oxi Fresh, or of another franchised or licensed OXI FRESH Business, to any Competitive Business, by direct inducement or otherwise.

7. **Audit of Business Records.** Oxi Fresh or its authorized agent may request, receive, inspect, and audit any business records, financial or otherwise, of Associate, Associate's immediate family members, or any party affiliated with Associate or its immediate family members, including any companies or entities associated with Associate or its immediate family members, that Oxi Fresh in its sole discretion determines may be relevant in determining Associate's compliance with the terms of this Agreement or Franchisee's business results in its OXI FRESH Business. The records subject to this audit include (i) tax returns; (ii) quarterly and/or annual financial statements, including profit and loss statements and balance sheets; (iii) copies of checks, check ledgers, and bank statements for checking and savings accounts; (iv) all contracts or agreements entered into by Franchisee and any third parties related to its OXI FRESH Business, including but not limited to contracts with customers; and (v) any other documents requested by Oxi Fresh. Any such inspection or audit shall be conducted in accordance with the audit provisions set forth in the Franchise Agreement, which are deemed incorporated herein. Inspections and audits conducted at Associate's business location or other location where the records are held may take place without prior notice. Oxi Fresh may also require at any time the records from Associate or its affiliated parties be sent to Oxi Fresh's offices or another location to permit the inspection or audit of such records to be conducted at Oxi Fresh's place of business or the other location. If Oxi Fresh notifies Associate that documents are to be sent to a location other than Associate's business location for the purpose of conducting an inspection or audit at that location, Associate shall provide the requested documents to Oxi Fresh within the time period set forth in Oxi Fresh's notice. Oxi Fresh may

audit and inspect documents covering a period beginning with the date on which Associate's Affiliation commenced and ending on the date such audit is concluded. All documents provided for Oxi Fresh's inspection or audit must be certified by Associate and the appropriate affiliated party, if applicable, as true, complete and correct. Inspections and audits may be conducted following the expiration or termination of Associate's Affiliation for any reason.

8. **Injunction.** Associate acknowledges and agrees that in the event of any breach or threatened breach of this Agreement, Oxi Fresh and Franchisee, or either one separately, shall be authorized and entitled to seek, from any court of competent jurisdiction, preliminary and permanent injunctive relief in addition to any other rights or remedies to which Oxi Fresh and/or Franchisee may be entitled.

9. **Assignment.** Both Franchisee and Oxi Fresh may assign all or part of this Agreement and the rights which inure to either of them hereunder without the consent of Associate, provided that any assignment by Franchisee shall require the written consent of Oxi Fresh. This Agreement shall not be assignable by Associate.

10. **Effect of Waiver.** The waiver by Associate, Franchisee or Oxi Fresh of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach thereof, and in no event shall such a waiver be binding upon Oxi Fresh unless it is in writing and signed by an authorized representative of Oxi Fresh.

11. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of Associate, Franchisee and Oxi Fresh and their respective heirs, executors, representatives, successors and assigns.

12. **Entire Agreement.** This instrument contains the entire agreement of Associate, Franchisee and Oxi Fresh relating to the matters set forth herein. It may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought. Further, both Associate and Franchisee agree that no change to this Agreement shall be made without the written consent of Oxi Fresh having first been obtained.

13. **Governing Law.** This instrument shall be governed by and construed under the laws of the State of Colorado, U.S.A.

14. **Arbitration.** Any and all controversies, disputes or claims between Oxi Fresh, its subsidiaries and affiliated companies or their shareholders, officers, directors, agents, employees and attorneys (in their representative capacity); Franchisee, its shareholders, officers, directors, agents and employees; and/or Associate arising out of or related to this Agreement or the validity hereof shall be submitted for arbitration on the demand of any involved party; except for actions for injunctive relief pursuant to Section 8 above, which actions Oxi Fresh and/or Franchisee at their option may bring either in a court of competent jurisdiction or in arbitration. If Oxi Fresh is a party to any controversy, dispute or claim, such arbitration proceedings shall be conducted in Denver, Colorado, U.S.A., will be submitted to the Denver, Colorado, U.S.A. office of either the Judicial Arbiter Group ("**JAG**") or the American Arbitration Association ("**AAA**"), as selected by the party submitting the arbitration demand, will be heard by one arbitrator in accordance with the then current rules of AAA applicable to commercial arbitration, and the arbitrator shall be a resident of the State of Colorado, U.S.A. and fluent in English. The arbitration proceeding and all other hearings shall be conducted in English only, although Associate shall have the right, at Associate's option and sole expense, to have a translator present at the proceeding

or other hearings. If Oxi Fresh is not a party to such controversy, dispute or claim, such arbitration proceedings shall be conducted within the Protected Territory (as applicable, as defined in the Franchise Agreement between the Franchisee and Oxi Fresh) of the Franchisee and will be heard by one arbitrator in accordance with the then current commercial arbitration rules of any arbitration group mutually acceptable to Franchisee and Associate, and if Franchisee and Associate cannot agree on an arbitration group within 30 days after demand for arbitration, then AAA shall conduct such arbitration in accordance with its then current commercial arbitration rules. The decision as to whether a claim is subject to mandatory arbitration shall be made by an arbitrator, not a court.

15. **Severability.** If any provision of this Agreement is held, declared or pronounced void, voidable, invalid, unenforceable or inoperative for any reason, by any court of competent jurisdiction, government authority, arbitrator or otherwise, the parties authorize and request such court, governmental authority, or arbitrator to modify the provision held to be void, voidable, invalid, unenforceable or inoperative to contain such lesser covenants that impose the maximum duty permitted by law so that the provision is upheld as valid, and the parties agree to be bound by the modified provision. The holding, declaration or pronouncement shall not affect adversely any other provisions of this Agreement, which shall otherwise remain in full force and effect.

16. **Attorneys' Fees.** If Oxi Fresh or Franchisee must enforce any of the provisions or rights under this Agreement in any action at law or in equity and if the Oxi Fresh and/or Franchisee is successful in such litigation or arbitration as determined by the court or arbitrator in a final judgment or decree, then the Associate shall pay Oxi Fresh or Franchisee, as applicable, all costs, expenses and reasonable attorneys' fees incurred by Oxi Fresh and/or Franchisee (including without limitation such costs, expenses and fees on any appeals), and if Oxi Fresh and/or Franchisee receives a judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment.

17. **Definitions.** All capitalized terms not defined in this Agreement have the respective meanings set forth in the effective Franchise Agreement between Franchisee and Oxi Fresh.

18. **Cross Default.** A default by Associate under this Agreement will be deemed a default of all agreements between Franchisee and Oxi Fresh, unless waived by Oxi Fresh in writing.

19. **Counterparts; Electronic Signatures.** This Agreement may be executed in counterparts and via electronic signatures.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

The parties have signed this Agreement on the ____ day of _____, 202___.

OXI FRESH:

OXI FRESH FRANCHISING CO., INC.
a Colorado corporation

By: _____
Its: _____

FRANCHISEE:

_____
a _____

By: _____
Its: _____

ASSOCIATE:

_____
Print Name: _____

RIDERS TO THE NONDISCLOSURE AND NONCOMPETITION AGREEMENT FOR SPECIFIC STATES

If any one of the following Riders to the Nondisclosure and Noncompetition Agreement for Specific States ("**Riders**") is checked as an "**Applicable Rider**" below, then that Rider shall be incorporated into the Nondisclosure and Noncompetition Agreement entered into by Oxi Fresh Franchising Co., Inc. and the undersigned Associate and Franchisee. To the extent any terms of an Applicable Rider conflict with the terms of the Nondisclosure and Noncompetition Agreement, the terms of the Applicable Rider shall supersede the terms of the Nondisclosure and Noncompetition Agreement.

APPLICABLE RIDER

- ☐ INDIANA
- ☐ NORTH DAKOTA
- ☐ WASHINGTON

OXI FRESH:

OXI FRESH FRANCHISING CO., INC.
a Colorado corporation

By: _____
Its: _____

FRANCHISEE:

_____
a _____

By: _____
Its: _____

ASSOCIATE:

_____
Print Name: _____

INDIANA RIDER TO THE NONDISCLOSURE AND NONCOMPETITION AGREEMENT

1. Section 4 is hereby deleted in its entirety and the following is substituted in its place:

4. Post-Termination Covenant Not to Compete. Associate covenants and agrees that, for a period of two years after the earlier of (i) the effective date of termination or expiration of Associate's Affiliation with Franchisee or Oxi Fresh, or (ii) the effective date of termination or expiration of the Franchisee's Franchise Agreement, neither Associate, nor any member of Associate's immediate family, shall (a) have any direct or indirect interest, as a disclosed or a beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent or in any other capacity, in or with any Competitive Business located or operating within the Protected Territory, as defined in Franchisee's Franchise Agreement with Oxi Fresh, in which Franchisee's OXI FRESH Business is located; or (b) divert or attempt to divert any business related to Franchisee, Oxi Fresh or any other Oxi Fresh franchisee to any Competitive Business, by direct inducement or otherwise. Associate expressly acknowledges that he or she possesses business and career skills and abilities of a general nature and has other opportunities for exploiting such skills and abilities. Consequently, enforcement of this covenant will not deprive Associate of his or her personal goodwill or ability to earn a living. If Associate or any member of Associate's immediate family breaches any of Sections 4 through 6, then the two-year period applicable for each of these covenants shall start on the date that Associate or its family member, as applicable, is enjoined from such activity or ceases such activity, whichever is later.

2. Section 13 is hereby deleted in its entirety and the following is substituted in its place:

13. Governing Law. Except to the extent governed by the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Act, this instrument shall be governed by and construed under the laws of the state in which Franchisee's Protected Territory is, was, or was expected to be, located.

3. Section 14 is hereby deleted in its entirety.

These modifications have been included in this Nondisclosure and Noncompetition as a condition to registration. Oxi Fresh, Franchisee, and Associate do not agree with the above language and believe that each of the provisions of the Nondisclosure and Noncompetition Agreement, including all choice of law and venue provisions, are fully enforceable. Oxi Fresh, Franchisee, and Associate intend to fully enforce all of the provisions of the Nondisclosure and Noncompetition Agreement and all other documents signed by them, including but not limited to, all choice-of-law, venue, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

NORTH DAKOTA RIDER TO THE NONDISCLOSURE AND NONCOMPETITION AGREEMENT

1. The following statement is added to Section 4:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

2. Section 14 is deleted in its entirety.

WASHINGTON RIDER TO THE NONDISCLOSURE AND NONCOMPETITION AGREEMENT

1. The Agreement is subject to the terms of Washington statute RCW 49.62.005 et seq., which imposes certain limitations and prohibitions on the enforcement of noncompetition covenants against employees and independent contractors, and on the enforcement of nonsolicitation covenants against franchisees.

ATTACHMENT D
TO FRANCHISE DISCLOSURE DOCUMENT

STATEMENT OF PROSPECTIVE FRANCHISEE

OXI FRESH FRANCHISING CO., INC.
STATEMENT OF PROSPECTIVE FRANCHISEE

(Note: Dates and answers must be completed in the prospective franchisee's own handwriting.)

Since the prospective franchisee (also called "I/we," in this document) and OXI FRESH FRANCHISING CO., INC. ("Oxi Fresh") both have an interest in making sure that no misunderstanding exist between us, and to verify that no violations of law might have occurred, and understanding that Oxi Fresh is relying on the statements I/we make in this document, I/we advise Oxi Fresh as follows:

A. The following dates and information are true and correct:

1. The date of our first face-to-face meeting with any person to discuss the possible purchase of an OXI FRESH Carpet Cleaning Franchise.

_____

2. The date on which I/we received a Franchise Disclosure Document ("Disclosure Document") providing me/us with information regarding the purchase of an OXI FRESH Carpet Cleaning Franchise.

_____

3. The date when I/we received a fully completed copy (other than signatures) of the Franchise Agreement and all other documents I/we later signed.

_____

4. The earliest date on which I/we signed the Franchise Agreement or any other binding document (not including any Receipt evidencing our receipt of the Disclosure Document).

_____

5. The earliest date on which I/we delivered cash, a check or other consideration to Oxi Fresh, or any other person or company.

_____

B. Representations and Other Matters:

1. No oral, written, visual or other promises, agreements, commitments, representations, understandings, "side deals," options, rights-of-first refusal or agreements of any type, including but not limited to, any which expanded upon or were inconsistent with the Disclosure Document or the Franchise Agreement, have been made to me/us with respect to any matter (including, but not limited to, advertising, marketing, site location and/or development, operational, marketing or administrative assistance, exclusive rights or rights to purchase one or more territories or otherwise) nor have I/we relied in any way on such, except as expressly set forth in the Franchise Agreement or a written Addendum thereto signed by me/us and Oxi Fresh, except as follows:

_____

_____

(If none, write NONE)

2. No oral, written, visual or other claim, guarantee or representation (including, but not limited to, charts, tables, spreadsheets or mathematical calculations to demonstrate actual or possible results based on a combination of variables, such as multiples of price and quantity to reflect gross sales, or otherwise), which stated or suggested any specific level or range of actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or from which such items might be ascertained), from franchised or non-franchised units, was made to me/us by any person or entity, nor have I/we relied in any way on any such, except for the information expressly set forth in the Disclosure Document, if any, except as follows:

(If none, write NONE).

3. No contingency, prerequisite, reservation or otherwise exists with respect to any matter (including, but not limited to, my/our obtaining any financing, my/our selection, purchase, lease or otherwise of a location, any operational matters or otherwise) or my/our fully performing any of my/our obligations, nor am I/we relying on Oxi Fresh or any other entity to provide or arrange financing of any type, nor have I/we relied in any way on such, except as expressly set forth in the Franchise Agreement or a written Addendum thereto signed by the me/us and Oxi Fresh, except as follows:

(If none, write NONE).

4. If the prospective franchisee is a business entity, the individuals signing for the "Prospective Franchisee" constitute all of the executive officers, members, managers, partners, shareholders, investors and/or principals (as applicable) of the Prospective Franchisee and each of such individuals has received the Disclosure Document and all attachments and carefully read, discussed, understands and agrees to the Franchise Agreement and each written Addendum or Attachment.

5. I/we have had an opportunity to consult with an independent professional advisor, such as an attorney or accountant, prior to signing any binding documents or paying any sums, and Oxi Fresh has strongly recommended that I/we obtain such independent professional advice. I/we have also been advised by Oxi Fresh to discuss my/our proposed purchase of, or investment in, an OXI FRESH Carpet Cleaning Franchise with one or more existing OXI FRESH Carpet Cleaning franchisees prior to signing any binding documents or paying any sums and I/we have been supplied with a list of existing OXI FRESH Carpet Cleaning franchisees.

6. I/we understand that entry into any business venture necessarily involves certain risk of loss or failure, that the purchase of an OXI FRESH Carpet Cleaning Franchise (or any other franchise) is a speculative investment, that investment beyond the amounts outlined in the Disclosure Document may be required to succeed, that there exists no

guaranty against possible loss or failure in this or any other business and that the most important factors in the success of any OXI FRESH Carpet Cleaning Franchise, including the one to be operated by me/us, are my/our personal business, marketing, sales, management, judgment and other skills.

If there are any matters inconsistent with the statements in this document, or if anyone has suggested that I sign this document without all of its statements being true, correct and complete, I/we will (a) immediately inform Oxi Fresh's attorney, and (b) make a written statement regarding such next to my signature below so that Oxi Fresh may address and resolve any such issue(s) at this time and before either party goes forward.

I/we understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete.

Date: _____

PROSPECTIVE FRANCHISEE:

By: _____
Prospective Franchisee

By: _____
Prospective Franchisee

By: _____
Prospective Franchisee

All of the above is true, correct and complete to the best of my knowledge.

Franchise Marketing Representative: _____

Reviewed by: _____(Franchisor)

President: _____ Franchise Agreement Number: _____

MARYLAND RIDER TO THE
OXI FRESH FRANCHISING CO., INC.
STATEMENT OF PROSPECTIVE FRANCHISEE
DATED _____

1. The following is added to the end of the Statement of Prospective Franchisee:

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

OXI FRESH FRANCHISING CO., INC.

By:_____

Title:_____

_____
Prospective Franchisee

_____
Prospective Franchisee

_____
Prospective Franchisee

ATTACHMENT E
TO FRANCHISE DISCLOSURE DOCUMENT

TERRITORY RESERVATION DEPOSIT AGREEMENT

TERRITORY RESERVATION DEPOSIT AGREEMENT

This Territory Reservation Deposit Agreement (this "**Deposit Agreement**") is made and entered into effective on the day and date set forth below (the "**Effective Date**"), by and between OXI FRESH FRANCHISING CO., INC., a Colorado corporation ("**OFFC**"), and the applicant named on the signature page of this Deposit Agreement (the "**Applicant**").

1. **Payment and Territory Reservation.** On the Effective Date, Applicant will pay OFFC $5,000 as an entirely non-refundable deposit (the "**Deposit**") toward the purchase of a franchise (the "**Franchise**") for the operation of a business providing commercial and residential carpet cleaning and related services under the marks OXI FRESH®, OXI FRESH CARPET CLEANING®, and related service marks, trademarks and trade names (an "**OXI FRESH Business**") in the territory set forth on the attached Exhibit E-1 (the "**Reserved Territory**"). In consideration for the payment of the Deposit, OFFC grants Applicant the right, subject to compliance with all of OFFC's requirements for the award of an OXI FRESH Business franchise, to acquire the Franchise for 90 days following the Effective Date (the "**Reservation Period**"). During the Reservation Period, and subject to Applicant's compliance with the terms of this Deposit Agreement and all other agreements between Applicant and OFFC, OFFC will not grant a franchise for or operate an OXI FRESH Business that has a territory within or overlapping any portion of the Reserved Territory. Applicant may exercise its right to acquire the Franchise by executing OFFC's form of Franchise Agreement and other documents required for new OFFC franchisees and paying the initial franchise fee for the purchase of the Franchise in full prior the expiration of the Reservation Period. To enable OFFC to comply with potential disclosure laws and prepare the franchise agreement and related documents for Applicant's exercise of this right, Applicant must give OFFC written notice of Applicant's intent to acquire the Franchise at least 20 days in advance of the expiration of the Reservation Period, in accordance with Section 8 below.

2. **Non-Refundability of Deposit.** Applicant and OFFC agree that the Deposit is not intended to be a penalty or forfeiture and is intended, among other things, to compensate OFFC for (i) not selling a franchise covering the Reserved Territory during the Reservation Period, (2) not increasing the initial franchise fee to be paid by Applicant for the Franchise during the Reservation Period, and (3) any delay OFFC may experience in receiving any royalty fee or other income due to its inability to sell a franchise for or operate an OXI FRESH Business in the Reserved Territory during the Reservation Period. THE DEPOSIT IS TOTALLY NON-REFUNDABLE UNDER ANY AND ALL CIRCUMSTANCES AND MAY BE USED ONLY TO PURCHASE THE FRANCHISE FOR THE RESERVED TERRITORY DURING THE RESERVATION PERIOD AT THE INITIAL FRANCHISE FEE SPECIFIED ABOVE.

3. **Failure to Complete Purchase.** In the event that Applicant does not purchase, or is unable to purchase, the Franchise for the Reserved Territory during the Reservation Period for any reason, the entire Deposit will be retained by OFFC. In that event, all of Applicant's rights and all of OFFC's obligations will be forever canceled and, subject to applicable law, Applicant will execute a general release, in a form prescribed by OFFC, of any and all claims, known or unknown, against OFFC and its subsidiaries and affiliated companies or their shareholders, officers, directors, members, managers, partners, agents, employees, successors, and assignees (collectively, the "**OFFC Affiliates**").

4. **Misrepresentations.** If Applicant has made or makes any material misrepresentations or omissions in connection with the application for or purchase of any OXI FRESH Business franchise, OFFC will have no obligation to sell the Franchise to Applicant and OFFC may retain the full Deposit.

5. **Dispute Resolution; Governing Law.** Any dispute, controversy or claim between Applicant or any of Applicant's shareholders, directors, officers, members, managers, partners,

employees, agents, successors and assignees, as applicable (the "**Applicant Affiliates**"), and OFFC or any of the OFFC Affiliates, arising out of or relating to this Deposit Agreement or any other agreement or document related to this Deposit Agreement will be settled by binding arbitration with the Denver, Colorado, U.S.A. office of the Judicial Arbiter Group or the American Arbitration Association ("AAA"), as selected by the party submitting the demand. Arbitration proceedings will be conducted in Denver, Colorado, U.S.A. and will be heard by one arbitrator in accordance with the then current rules of AAA that apply to commercial arbitration. The arbitrator shall be a resident of the State of Colorado U.S.A. knowledgeable of Colorado law and fluent in English. The arbitration proceeding and all other hearings shall be conducted in English only, although Applicant shall have the right, at Applicant's option and sole expense, to have a translator present at the proceeding or other hearings. The expense of a translator shall not be considered attorneys' fees or court costs awardable to the prevailing party in arbitration or litigation pursuant to Section 9 below. The decision as to whether a claim is subject to mandatory arbitration shall be made by an arbitrator, not a court. The United States Federal Arbitration Act shall govern all questions about the enforceability and scope of the dispute resolution procedures in this Deposit Agreement, and all other matters will be governed by the laws of the State of Colorado, U.S.A. Any arbitration award shall be based on established law and shall not be made on broad principles of justice and equity.

6. **Confidential Information.** Applicant acknowledges that it has received proprietary information of OFFC by participating in OFFC's training program, including but not limited the licensed methods and proprietary information for the operation of an OXI FRESH Business, marketing methods, information contained in the OXI FRESH Operations Manuals, and other information OFFC considers a trade secret or proprietary (the "**Confidential Information**"). Applicant will treat all Confidential Information as proprietary and confidential, and will not use or duplicate such information in an unauthorized manner or disclose the information to any unauthorized person, including in any business that may be competitive with OFFC, without first obtaining OFFC's written consent. Applicant acknowledges that any unauthorized use or disclosure of the Confidential Information will result in irreparable harm to OFFC.

7. **Noncompetition Covenant.** Applicant acknowledges that, due to the disclosure of the Confidential Information by OFFC to Applicant, any participation by Applicant or the Applicant Affiliates in a business in competition with OFFC or its franchisees would unfairly harm OFFC and its franchisees. Therefore, if Applicant does not acquire the Franchise during the Reservation Period or if this Deposit Agreement is terminated for any other reason, then for a period of two years commencing on the expiration of the Reservation Period or the termination of this Deposit Agreement, neither Applicant nor any of the Applicant Affiliates, will (a) attempt to employ or employ (either directly or indirectly) any franchisees of OFFC or any employees, agents, or representatives of OFFC or of any of OFFC's franchisees; (b) divert or attempt to divert any business related to OFFC or any of OFFC's franchisees or any client or account of OFFC or any of OFFC's franchisees; or (c) have any direct or indirect controlling interest in or perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for any business which is the same as or substantially similar to an OXI FRESH Business, including but not limited to a business that provides services related to the inspection and cleaning of commercial and/or residential carpets, rugs, upholstery, tile and grout, and hardwood flooring, and ancillary products, or grants franchises or licenses to others to operate such a business, within a 20-mile radius of the Reserved Territory or the territory of any OXI FRESH Business owned by OFFC, any affiliate of OFFC, or any franchisee of OFFC. Applicant expressly acknowledges that Applicant and the Applicant Affiliates possess business and career skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Section will not deprive them of their personal goodwill or ability to earn a living.

8. **Notices.** All notices, requests, demands, statements, or consents made under this Deposit Agreement, including Applicant's notice of its election to purchase the Franchise during the Reservation Period, will be given in writing, by personal delivery, certified mail, return receipt requested, e-mail or an overnight delivery service providing documentation of receipt, at the address set forth below the signatures of OFFC and Applicant respectively hereto or at such other addresses as OFFC or Applicant may designate from time to time. Notice will be effectively given when personally delivered or delivered by e-mail to the proper e-mail address. If the Reserved Territory is in the United States, notice will be effectively given three days after being deposited in the United States mail, with proper address and postage prepaid, or one day after being deposited with the overnight delivery service, as may be applicable. If the Reserved Territory is outside of the United States, notice will be effectively given seven days after being deposited in the United States mail, with proper address and postage prepaid, or three days after being deposited with the overnight delivery service, as may be applicable.

9. **Miscellaneous.** Neither this deposit nor any rights associated with it are assignable by Applicant without the prior written consent of OFFC, which may be withheld in its sole and absolute discretion. This Deposit Agreement embodies the entire agreement and understanding between Applicant and OFFC and supersedes all prior agreements and understandings related to the subject matter hereof. However, nothing in this Deposit Agreement is intended to disclaim any representations made by OFFC in the franchise disclosure document provided to Applicant. No amendment to this Deposit Agreement will be binding unless it is in writing and signed by an officer of OFFC. If any provision of this Deposit Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby. In the event of any arbitration or litigation between Applicant and OFFC and/or the OFFC Affiliates based upon an alleged breach or default in their respective obligations to be fulfilled pursuant to this Deposit Agreement, the prevailing party(ies) in the action shall be entitled to recover attorneys' fees and court costs from the non-prevailing party(ies). Sections 5, 6, and 7 of this Deposit Agreement will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Deposit Agreement. This Deposit Agreement may be executed in any number of counterparts and via electronic signatures, and all signed counterparts shall be deemed to be an original. Executed facsimile copies and electronic signatures shall be deemed originals for all purposes.

The parties have signed this Deposit Agreement on the ____ day of _____, 202___.

OXI FRESH:

OXI FRESH FRANCHISING CO., INC.,
a Colorado corporation

By: _____
Its: _____

Address for Notice:
143 Union Boulevard, Suite 825
Lakewood, Colorado, U.S.A. 80228
E-Mail Address: info@oxifresh.com

APPLICANT:

_____,
a _____

By: _____
Its: _____

Address for Notice:
_____
_____
E-Mail Address: _____

EXHIBIT E - 1

RESERVED TERRITORY

[insert territory]

ATTACHMENT F
TO FRANCHISE DISCLOSURE DOCUMENT

FORM OF SUCCESSOR FRANCHISE RIDER
TO FRANCHISE AGREEMENT

FORM OF SUCCESSOR FRANCHISE RIDER
TO FRANCHISE AGREEMENT

OXI FRESH FRANCHISING CO., INC., a Colorado corporation ("**OFFC**"), and the undersigned franchisee ("**Franchisee**") entered into that certain Oxi Fresh Franchise Agreement ("**Agreement**") contemporaneously herewith, and desire to supplement and amend certain terms and conditions of such Agreement by this Successor Franchise Rider to Franchise Agreement ("**Rider**"). The parties therefore agree as follows:

1. **Term.** **Section 3.1** of the Agreement is hereby deleted in its entirety with the following substituted in its place:

> **3.1. Term.**
>
> The term of this Agreement shall commence on _____, 202__ (the "**Commencement Date**") and is for a period of seven years from the Commencement Date, unless sooner terminated as provided herein. Franchisee agrees to operate the OXI FRESH Business for the entire term of this Agreement.

2. **Initial Franchise Fee.** **Section 5.1** of the Agreement and **Paragraph 4** of the Addendum to Franchise Agreement ("**Addendum**") are hereby deleted in their entirety, with the following substituted in the place of **Section 5.1**:

> **5.1. Successor Franchise Fee.**
>
> Franchisee will pay OFFC a successor franchise fee in the amount of $4,000.00, which shall be due and payable upon execution of this Agreement. Franchisee acknowledges and agrees that the successor franchise fee represents payment for the grant of successor franchise rights, that OFFC has earned the successor franchise fee upon receipt thereof, and that the successor franchise fee is not refundable to Franchisee once paid.

3. **Initial and Advanced Training.** **Sections 6.1, 6.2,** and **6.3.a** of the Agreement are hereby deleted in their entirety. Franchisee specifically acknowledges that it has already received training from OFFC and it is not entitled to the Initial Training Program, as defined in **Section 6.1** of the Agreement, or the Advanced Training Program, as defined in **Section 6.3.a** of the Agreement, as a result of this exercise of successor franchise rights. OFFC may require any other representative(s) of Franchisee to attend and satisfactorily complete (at OFFC's sole determination) the Initial Training Program and the Advanced Training Program. If, under the terms of the Agreement or otherwise, Franchisee needs or desires to have persons attend OFFC's Initial Training Program or Advanced Training Program, then Franchisee must pay the then current rate charged by OFFC for those persons, in addition to all wages, travel and living expenses incurred in connection with their attendance at the Initial Training Program and Advanced Training Program, without any reimbursement by OFFC. Notwithstanding the foregoing, the definitions of "**Operations Manager**," "**Initial Training Program**," and "**Advanced Training Program**," as provided in **Sections 6.1** and **6.3.a**, shall remain effective and have the meaning set forth therein.

4. **Commencement of Operations and Active Operations.** **Sections 7.3** and **7.4** of the Agreement are hereby deleted in their entirety, with the following substituted in the place of **Section 7.4**:

7.4. Active Operations.

Unless otherwise agreed in writing by OFFC and Franchisee, Franchisee must actively promote and continue to operate its OXI FRESH Business in accordance with the Operations Manual and this Agreement; unless OFFC gives its prior written consent to Franchisee to temporarily suspend its operations, which consent may be withheld by OFFC for any reason.

5. **OFFC's Development Assistance.** **Article 8** of the Agreement is hereby deleted in its entirety. Franchisee acknowledges that it has previously received the development assistance set forth in **Article 8**, and it is not entitled to additional development assistance as a result of this exercise of successor franchise rights. Notwithstanding the foregoing, the definitions of "**Scheduling Center**," "**Oxi Fresh Scheduling and Marketing System**," "**Co-Op Line**," and "**Market Expansion Line**" as provided in **Section 8.1**, shall remain effective and have the meaning set forth therein. OFFC or its designee will sell to Franchisee additional carpet cleaning machines with sprayers and brushes, tile and grout brushes, upholstery cleaning machines, hardwood floor cleaning machines, vacuum cleaners, other cleaning machines if available, and cleaning agents requested by Franchisee. Franchisee must use the Scheduling Center to schedule all of its appointments. OFFC may suspend Franchisee's membership and schedule with the Scheduling Center and the Oxi Fresh Scheduling and Marketing System at any time Franchisee is in default of its obligation to pay the Job Fee or any other fee or amount due to OFFC in addition to any other rights or remedies OFFC may have. Franchisee must have at least one Co-Op Line for each Franchise it acquires. Franchisee may acquire additional Co-Op Lines for an increased Job Fee. Franchisee may also acquire Market Expansion Lines for an increased Job Fee. Franchisee acknowledges as between OFFC and Franchisee, OFFC has the sole rights to, and interest in, all Co-Op Lines and Market Expansion Lines. In the event that OFFC's telephone carrier does not have coverage within the Protected Territory, Franchisee will be required to obtain a local telephone line for the required Co-Op Line for each Franchise and any additional telephone line desired, arrange for the connection of the line to the Scheduling Center, and, unless OFFC specifies otherwise in its discretion, reassign the line to OFFC's telephone carrier and transfer the rights in the line to OFFC, at which point the local line will be deemed a Co-Op Line or Market Expansion Line to be provided by OFFC to Franchisee.

6. **Operations Manual.** Franchisee acknowledges that it has already received a copy of OFFC's Operations Manual and it will not be entitled to another copy thereof as a result of this exercise of successor franchise rights. **Section 9.1** of the Agreement is hereby modified accordingly.

7. **OFFC's Available Services.** **Section 10.1.a** of the Agreement is hereby deleted in its entirety with the following substituted in its place:

a. Provide continuing courses of training, including the Commercial/Pull System Training Program if requested by Franchisee, at times and locations designated by OFFC, in accordance with **Section 6.3**.

8. **Payments to OFFC.** **Section 12.5.a** of the Agreement is hereby deleted in its entirety with the following substituted in its place:

> **a.** Franchisee shall pay the Royalty Fees to OFFC in advance by the fifth day of each month. Franchisee shall pay the Advertising and Technology Fees to OFFC by the 15th day of each month, based on the Gross Revenues of the preceding month as reported through the Scheduling Center. Franchisee shall pay the Job Fee for each month on the fifth day of the following month.

9. **Release.** Franchisee for itself, its employees, officers, directors, shareholders, members, managers, partners, agents, representatives, successors and assigns, hereby fully and forever unconditionally releases and discharges OFFC, its affiliated companies and their employees, officers, directors, shareholders, members, managers, partners, agents, representatives, successors and assigns (collectively referred to as the "**OFFC Parties**") from any and all claims, demands, obligations, actions, liabilities and damages of every kind and nature whatsoever, in law or in equity, whether known or unknown to it, which it may now have against OFFC or the OFFC Parties, or which may hereafter be discovered, in connection with, as a result of, or in any way arising from, any relationship or transaction with OFFC or the OFFC Parties, however characterized or described, from the beginning of time until the date of this Agreement.

10. **Effectiveness of Agreement.** The terms and conditions of this Rider are in addition to or in explanation of the existing terms and conditions of the Agreement and shall prevail over and supersede any inconsistent terms and conditions thereof.

Fully executed this ____ day of _____, 202__.

OFFC:
OXI FRESH FRANCHISING CO., INC.,
a Colorado corporation

By:_____
Date: _____

FRANCHISEE:
IF AN INDIVIDUAL:

_____
Franchisee, Individually

Print Name: _____

IF A PARTNERSHIP, CORPORATION OR OTHER ENTITY:

_____

By: _____

Print Name: _____
Date: _____

ATTACHMENT G
TO FRANCHISE DISCLOSURE DOCUMENT

CURRENT FORM OF GENERAL RELEASE

THE FOLLOWING FORM OF GENERAL RELEASE AGREEMENT IS A SAMPLE OF OUR CURRENT FORM OF GENERAL RELEASE AGREEMENT. THIS AGREEMENT IS OFTEN MODIFIED TO CONFORM TO THE FACTS SURROUNDING THE EVENT OR INCORPORATED INTO A LARGER AGREEMENT WHICH MORE PRECISELY ADDRESSES THE EVENT. WE MAKE NO REPRESENTATION OR GUARANTY THAT THE GENERAL RELEASE AGREEMENT YOU MAY BE REQUIRED TO SIGN WILL BE IDENTICAL TO THE GENERAL RELEASE AGREEMENT SET FORTH BELOW.

GENERAL RELEASE AGREEMENT

THIS GENERAL RELEASE AGREEMENT (this "Agreement") is made as of _____ _____, 202___ by and between OXI FRESH FRANCHISING CO., INC., a Colorado corporation ("OFFC"), and _____, a(n) _____ ("Franchisee").

RECITALS

A. OFFC and Franchisee entered into that certain Franchise Agreement dated _____ _____, 202___, (the "Franchise Agreement").

B. Franchisee desires to _____ its rights and obligations under Franchise Agreement.

C. As a condition to the _____ of Franchisee's rights and obligations under the Franchise Agreement, OFFC requires Franchisee to execute this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the terms and conditions set forth below, and other good and valuable consideration, the receipt, adequacy and sufficiency of which are acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Release. Franchisee for itself, its employees, officers, directors, shareholders, members, managers, partners, agents, representatives, successors and assigns, hereby fully and forever unconditionally releases and discharges OFFC, its affiliated companies and their employees, officers, directors, shareholders, members, managers, partners, agents, representatives, successors and assigns (collectively referred to as the "**OFFC Parties**") from any and all claims, demands, obligations, actions, liabilities and damages of every kind and nature whatsoever, in law or in equity, whether known or unknown to it, which it may now have against OFFC or the OFFC Parties, or which may hereafter be discovered, in connection with, as a result of, or in any way arising from, any relationship or transaction with OFFC or the OFFC Parties, however characterized or described, from the beginning of time until the date of this Agreement.

2. Notice. Any notice, request, demand, statement or consent made under this Agreement shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, and shall be deemed given when personally delivered or three days after deposit in the United States Mail, postage prepaid, and properly addressed to the other party at its address as set forth below. Each party may designate a change of address by notice to the other party in accordance with this Section.

If to Franchisee: _____
_____
_____

If to OFFC: Oxi Fresh Franchising Co., Inc.
143 Union Boulevard, Suite 825
Lakewood, Colorado, U.S.A. 80228
Attention: Jonathan Barnett

3. Colorado Laws. This Agreement shall be interpreted by the laws of the State of Colorado. Should any provision of this Agreement be found to violate the statutes or court decisions of the State of Colorado or of the United States, that provision shall be deemed to be amended to comply with and conform to such statutes or court decisions to affect the intent of the parties hereto.

4. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the successors, assigns, trustees, receivers, personal representatives, legatees and devisees of the parties.

5. Attorneys' Fees. Each party shall be responsible for paying its and his or her own costs and expenses incurred in the preparation of this Agreement. However, in the event of any litigation between the parties based upon an alleged breach or default in their respective obligations to be fulfilled pursuant to this Agreement, the prevailing party in the action shall be entitled to recover attorney's fees and court costs from the non-prevailing party(ies).

6. Entirety. This Agreement embodies the entire agreement and understanding between the parties and supersedes all prior agreements and understandings related to the subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

OFFC:

OXI FRESH FRANCHISING CO., INC.

By: _____
Jonathan L. Barnett, President

Date: _____

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____

Date: _____

ATTACHMENT H
TO FRANCHISE DISCLOSURE DOCUMENT

OPERATIONS MANUAL TABLE OF CONTENTS

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ATTACHMENT I
TO FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

LIST OF FRANCHISEES
As of December 31, 2019

The franchisees in this list are ordered and organized based on their territories, which are stated in underline above the franchisees' names. As OXI FRESH Businesses are service-based franchises where the services are performed at the customer's location, many franchisees have addresses outside of their territories.

UNITED STATES

Alabama
Mobile
Amy Senna
4595 Smith Rd.
Coden, AL 36523
Ph: 251-635-6537

Alaska
Anchorage
Elijah Pena
5695 Grand Teton Loop
Eagle River, AK 99502
Ph: 907-830-0020

Arizona
Maricopa
Isaac Jackson
43476 W. Caven Dr.
Maricopa, AZ 85138
Ph: 414-943-3237

Phoenix and Northern Arizona
Natalie Ehrlich
1201 East Cinnabar Avenue #563
Phoenix, AZ 85020
Ph: 602-430-7212
(10 Franchises)

West Valley
John & Paige O'Dowd
2355 W. Dusty Wren Dr.
Phoenix, AZ 85085
Ph: 480-737-1501
(5 Franchises)

Yuma
Sergio Leon
1389 W. 32nd Pl.
Yuma, AZ 85365
Ph: 928-366-4471

Arkansas
Jonesboro
Paul Waits, Susan Waits & David Smith
1617 Vinton
Memphis, TN 38104
Ph: 870-931-2496

Little Rock
Laurie Laing
143 Hickory Creek Circle
Little Rock, AK 72212
Ph: 501-316-9738
(2 Franchises)

Rogers
Bill Sakalares
5718 Berry Farms Dr.
Rogers, AR 72758
Ph: 479-636-1301

California
Beach Cities
Larry and Jane Killian
4609 W. 191st St.
Torrance, CA 90503
Ph: 310-944-0713
(2 Franchises)

Chula Vista
Phillip Morgan
2441 Cardinal Dr Apt. 5
San Diego, CA 92123
Ph: 619-636-2144

Corona Riverside
Steve & Ann Jones
1630 Via Galicia St.
Corona, CA 92881
Ph: 951-660-8182
(2 Franchises)

Diablo Valley
Rob Cole
10 Lindsey Ct.
Pleasant Hill, CA 94523
Ph: 925-548-5072
(3 Franchises)

Fremont - "The Bay Area"
Robert DeForest
4432 Cordova Place
Fremont, CA 94536
Ph: 510-468-5470

Hercules
Benjamin Cardona
154 Fawcett
Hercules, CA 94547
Ph: 415-939-6640

Livermore
Lorne, Christina, Shane, and Lance Jackson
1300 Hilliker Place
Livermore, CA 94551
Ph: 925 858-1176

Long Beach
Robert Flores
2999 E. Ocean Blvd. #240
Long Beach, CA 90803
Ph: 562-746-4557

Monterey
Joe Icardi
217 9th Street
Marina, CA 93933
Ph: 310-868-9305
(3 Franchises)

Orange County
Kyle Howard
9690 Shimizu River Circle
Fountain Valley, CA 92708
Ph: 781-405-7991

Lance Stubblefield
6601 Reynard Dr.
Springfield, VA 22152
Ph: 240-481-1887
(3 Franchises)

Palm Desert
Peter Anderson
40839 Treasure City Ln.
Indio, CA 92203
Ph: 760-272-5136
(2 Franchises)

Pasadena
Steven Olfus
23711 Sarda Rd.
Valencia, CA 91355
Ph: 818-937-4000

San Rafael
Lowell Whelchel
110 Ross Ave.
San Anselmo, CA 94960
Ph: 925-413-3151
(2 Franchises)

Santa Maria
Matt Wisener
2030 Calle Mirasol
Santa Maria, CA 93458
Ph: 805-878-7746
(2 Franchises)

Tulare
Shannon Lovering
1453 E. Tulare Ave.
Tulare, CA 93274
Ph: 559-688-7411

Tustin
David and Kevin Hoang
25415 Celtic Terrace Dr.
Katy, TX 77494
Ph: 714-251-1017
(6 Franchises)

Colorado

Boulder
Matt Kline
2789 Ironwood Circle
Erie, CO 80561
Ph: 720-837-0765
(Owned by an officer of ours and listed in Item 20 Table No. 4 as a "Company-Owned" outlet)
(2 Franchises)

Castle Rock/Parker
Troy Kittleson
623 E. Center Ave.
Denver, CO 80209
Ph: 303-777-5326
(3 Franchises)

Lakewood
Frank Souk
10205 West Warren Drive
Lakewood, CO 80227
Ph: 720-280-5121
(5 Franchises)

Pueblo
Cameron Welch, Jim Hagel, and Kris Antolak
1250 W. 12th Ave.,
Broomfield, CO 80020
Ph: 720-231-9250
(Owned by an officer of ours and listed in Item 20 Table No. 4 as a "Company-Owned" outlet)

The Rockies
Donnie & Sharon Archuleta
0756 Sierra Bluffs Rd.
Silt, CO 81652
Ph: 970-319-3342
(2 Franchises)

Connecticut

Greater Hartford
Omar Elder
56 Bayberry Rd.
Manchester, CT 06040
Ph: 860-578-0759

Ridgefield
Hikan Bilal
9 Honeysuckle Ln.
Ridgefield, CT 06877
Ph: 203-207-1273
(2 Franchises)

Delaware

Wyoming
Robert Ware
11550 Willow Grove Road
Wyoming, DE 19934
Ph: 302-363-1900
(2 Franchises)

District of Columbia

District of Columbia
Adeel Kamran Gil and Tashreen Shamai
11415 North Star Drive.
Fort Washington, MD 20744
Ph: 443-454-6780

Elvis Butler & Lydia Washington
2301 Columbia Pike 307
Arlington, VA 22204
Ph: 816-721-9788

Florida

Bradenton
Nate & Alissa Brown
9111 71st Ave. E.
Palmetto, PL 34221
Ph: 727-459-1523

Boca Raton
Adrian Mena
5703 57th Way
West Palm Beach, FL 33409
Ph: 240-444-0451

Cape Coral
Rob Lee
3505 Veterans Memorial Highway, Suite D
Ronkonkoma, NY 01177
Ph: 516-903-6400

Gulf Coast
Richard Loosbrock
722 Gardens Edge Dr.
Venice, FL 34285
Ph: 941-441-7566
(2 Franchises)

Jacksonville Beach
Jeffery Stewart
781 Rembrandt Ave.
Ponte Verde, FL 32081
Ph: 970-219-0344

Miami
Patrick Luthy
1444 Robbia Ave.
Miami, FL 33196
Ph: 786-218-0355
(6 Franchises)

Naples
Charles Lawson
7831 NW 11th St.
Pembroke Pines, FL 33024
Ph: 239-776-4560
(2 Franchises)

Orlando
George & Sheri Sauers
13812 Dove Wing Court
Orlando, FL 32828
Ph: 717-982-8515
(2 Franchises)

James Asher
4530 Elaine Place
Orlando, FL 32812
Ph: 360-649-1674

Daniel Coriano and Keri Sundin
2096 Monterey Dr.
Deltona, FL 32738
Ph: 386-562-4672

Palm Beaches
Don Caputo
1200 Marine Way, Apt. B708
North Palm Beach, FL 33408
Ph: 561-401-3325

Palm Coast
Jimmy Millhollin and Annette Gardinal
5 Claridge Court South
Palm Coast, FL 32137
Ph: 386-931-0485

Pensacola
David Crantz
8007 Northpointe Blvd.
Pensacola, FL 32514
Ph: 253-223-9148
(2 Franchises)

St. Johns
Sean & Christina Rotolo
7000 Rosabella Circle
Jacksonville, FL 32358
Ph: 904-385-3590
(4 Franchises)

Tampa
Matt Anderson
10012 Smarty Jones Drive
Ruskin, FL 33573
Ph: 813-600-7308

Georgia
Atlanta
Christian Pillat
22 14th St. Unit 3110
Atlanta, GA 30309
Ph: 404-683-0234
(3 Franchises)

David DeAndre Phinnessee and Andrea Woods
3832 Radcliffe. Blvd.
Decatur, GA 30034
Ph: 865-441-5837
(2 Franchises)

Travis & Alicia Lee
1320 Kingsbury Ct.
Powder Springs, GA 30127
Ph: 404-395-6027
(2 Franchises)

Dalton
Christopher Hughes and Mike Frost
9550 Hastings Way
Ooltewah, TN 37363
Ph: 423-593-6866

Idaho

Boise
S. Andrew Radke
1860 E. Kamay Dr.
Meridian, ID 83646
Ph: 208-859-5825
(2 Franchises)

Rigby
Thomas and Kayla Nelson
293 Dove Ave.
Rigby, ID 83442
Ph: 801-608-6354

Illinois

Chicago
Bob McWalter
19227 Revere Rd.
Mokena, IL 60448
Ph: 708-717-1729

Lance Stubblefield
23 Canterbury Sq. 202
Alexandria, VA 22304
Ph: 404-642-3670
(10 Franchises)

Edwardsville
Charles and Jesse Keyser
510 B Beadle Dr.
Carbondale, IL 62901
Ph: 618-559-5533

Greater Rockford
Todd Rutherford
18619 Altenburg Rd.
Harvard, IL 60033
Ph: 847-417-5251
(2 Franchises)

Gurnee
Salvador Aguilar
388 Johelia Trail
Antioch, IL 60002
Ph: 847-401-1635
(2 Franchises)

The North Shore
Mike Marchi
6870 N. Mealpin Ave.
Chicago IL 60646
Ph: 708-257-6930

Ottowa
Doug Peed
2128 Cottonwood Dr.
Ottowa, IL 61350
Ph: 815-228-4579

Quincy
Brian and Cristina Duran
1675 Maine St
Quincy, IL 62301
Ph: 217-592-2954

Indiana

Evansville
George Guzman
1701 N. Meadow Rd.
Evansville, IN 47715
Ph: 806-746-7396

Fishers
David Morgan
11370 Wilderness Trail
Fishers, IN 46038
Ph: 765-914-6745
(2 Franchises)

Munster
David Sabotka
9917 Margo Ln.
Munster, IN 46321
Ph: 708-207-4815

Iowa

Des Moines
Mike Tidman
312 2nd Ave. NW
Bondurant, IA 50035
Ph: 515-419-0683

Iowa City
Ryan Koller
1092 Walnut Ave. #111
Riverside, IA 52327
Ph: 319-321-9494

Kansas

Kansas City
Brian Mack and Greg Meeker
1220 Nine Hills Rd.
Centertown, MO 65023
Ph: 573-230-2635
(3 Franchises)

Wichita
Eric Fahnestock and Dennis Turner
15168 E. Sundance Ct.
Wichita, KS 67230
Ph: 316-655-4303
(2 Franchises)

Kentucky

Covington
Matthew Kunkel
4892 Hunt Rd. Apt 210
Blue Ash, OH, 45242
Ph: 513-276-5466

Lexington
Mark McEndree
1853 Ashby Rd.
Lawrenceburg, KY 40342
Ph: 502-604-3393
(2 Franchises)

Louisville
Kevin Kerr
7505 Cedar Hollow Dr.
Louisville, KY 40291
Ph: 502-299-2212

Bryan Gore
3111 Stonebridge Rd.
Louisville, KY 40741
Ph: 502-714-1277

Louisiana

Baton Rogue
Larry Williams
18145 River Birch Dr.
Prairieville, LA 70769
Ph: 214-762-6993
(2 Franchises)

Covington
Jose Perez
6 Trinidad Drive
Kenner, LA 70065
Ph: 504-450-2888

New Orleans
Jose Perez
6 Trinidad Drive
Kenner, LA 70065
Ph: 504-450-2888
(2 Franchises)

Shreveport
Jared and Eboni Dickson
7224 Jadewood Drive
Shreveport, LA 71129
Ph: 318-754-1363

Maine

Scarborough
Bert Cook
27 Coulthard Farms Rd
Scarborough, ME 04074
Ph: 207-650-5909

Maryland

Alexandria
Lance Stubblefield
23 Canterbury Sq. 202
Alexandria, VA 22304
Ph: 404-642-3670
(2 Franchises)

Baltimore
John Stilling
403 Chestnut Hill Rd.
Forest Hills, MD 21050
Ph:806-746-7396

Iness & Derek Teel
1016 Chestnut Haven Ct.
Baltimore, MD 21226
Ph: 443-529-2808
(2 Franchises)

Ellicot City
Earl Robinson
8509 Dorsey Spring Ct.
Ellicot City, MD 21043
Ph: 410-979-7740
(5 Franchises)

Fort Washington
Adeel Kamran Gil and Tashreen Shamai
11415 North Star Drive.
Fort Washington, MD 20744
Ph: 443-454-6780
(2 Franchises)

Salisbury
Keith Brittingham
3167 Trace Hollow Run
Salisbury, MD 21804
Ph: 410-430-5978

Silver Spring
Justin Ford
606 Douglass Ave.
Rockville, MD 20850
Ph: 202-465-6445
(2 Franchises)

Massachusetts
Boston
Michael Foresteire
57 Susan Dr.
Pelham, NH 03076
Ph: 978-807-2858

Springfield
Matt Authier
12 Helen Drive
Queensbury, NY 12804
Ph: 413-244-2270

Michigan
Brighton
Martin Johnson and Alexis Johnson
19727 Hayes Court
Northville, MI 48167
Ph: 248-444-3631
(3 Franchises)

Detroit
Jamal Belcher
7232 N. Vernon St.
Dearborn Heights, MI 48127
Ph: 313-505-7727

Grand Rapids
Baochau Trong
1124 Albers St. SW,
Wyoming, Michigan 49509
Ph: 616-328-2211
(2 Franchises)

Kalamazoo
Bryan Bailey
2891 Tecumseh Dr.
Benton Harbor, MI 49022
Ph: 269-925-5645

Royal Oak
Kevin Papke
23911 Jamestown, Apt. 302
Farmington, MI 48335
Ph: 734-564-5418

Sterling Heights
Michael Shore
4563 Kempf St.
Waterford Township, MI 48329
Ph: 248-675-5537

Minnesota

Coon Rapids
Ed Shepard
12666 Holly St. NW
Coon Rapids, MN 55448
Ph: 763-754-7751
(2 Franchises)

International Falls
Thomas Parish
1310 18th St.
International Falls, MN 56649
Ph: 218-348-9005

Maple Grove
Todd Nash
24465 Superior Dr.
Rogers, MN 55374
Ph: 651-775-7922

South-East Minnesota
Anne M. Lamb
1006 Prairie Lane
Owatonna, MN 55060
Ph: 507-213-9267
(2 Franchises)

Mississippi

Jackson
Bryan Anderson
224 Avalon Circle, Suite A
Meridian, MS 39301
Ph: 601-917-2559

Meridian
Mark Naylor
521 Pelahatchie Shore Drive
Brandon, MS 39047
Ph: 601-951-2864

Missouri

Centertown
Brian and Bridget Mack
1220 Nine Hills Road
Centertown, MO 65023
Ph: 573-230-2635

Kansas City
Brian Mack and Greg Meeker
1220 Nine Hills Rd.
Centertown, MO 65023
Ph: 573-230-2635
(3 Franchises)

St. Joseph
Brian & Rhonda Ramirez
501 Osage Rd.
Atchison, KS 66002
Ph: 479-651-8971

St. Louis
Charles and Jesse Keyser
510 B Beadle Dr.
Carbondale, IL 62901
Ph: 618-559-5533
(5 Franchises)

Springfield
Tim Wenkel
1040 S. Clifton Ave., A306
Springfield, MO 65802
Ph: 573-821-1185

Montana

Billings
Wayne Wilkinson
750 Wyoming Ave.
Billings, MT 59101
Ph: 406-671-3408

Nebraska

Omaha
Se Woon Lee
22907 Green Tree Ct.
Corona, CA 92882
Ph: 951-433-0023

Nevada

Las Vegas
Jamieson N. Poe
9190 Arbor Glen Street
Las Vegas, NV 89123
Ph: 206-643-7188

Justin Ruiz and William Dibos
9128 Clear Sky Ave.
Las Vegas, NV 89178
Ph: 504-481-1611

Reno
John Beug
P.O. Box 10531
Reno, NV 89510
Ph: 775-772-5962

New Hampshire
Merrimack
Tim Belinsky
1A Kula Ct.
Raymond, NH 03077
Ph: 603-770-6524

New Jersey
Clinton
Brian Parente
49 Quarry Ridge Rd.
Clinton, NJ 08809
Ph: 908-310-6981

East Brunswick
Craig Laurier
4 Lantern Lane E.
Brunswick, NJ 08816
Ph: 212-323-8320

Gloucster County
Joe Sullivan and Michael Sullivan
1 Stayman Lane
Sewell, NJ 08080
Ph: 856-649-5896
(3 Franchises)

Marlton
Grace, Michelle, and Gabrielle Cruz
9 Chancellor Park Dr.
Mays Landing, NJ 08330
Ph: 609-233-3908

Monmouth Co.
Robin Eccleston
17 Cambridge Dr.
Howell, NJ 07731
Ph: 609-216-1911

Saddle River
Brian & Danielle O'Keefe
15 Hawk Nest Rd.
Tomkins Cove, NY 10986
Ph: 845-661-3426

Union
Ernest Spinelli
711 Mountain Ave.
Springfield, NJ 07081
Ph: 908-963-7104
(2 Franchises)

New Mexico
Albuquerque
Lisa S. Pellegrino and Leonard Morales
253 Rivera Lane
Corrales, NM 87048
Ph: 505-899-9634
(2 Franchises)

New York
Binghamton
Tim & Pam Murphy
187 W. Chenango Road
Castle Creek, NY 13744
Ph: 607-727-2021

The Hamptons
Rob Lee
3505 Veterans Memorial Highway, Suite D
Ronkonkoma, NY 01177
Ph: 516-903-6400
(16 Franchises)

Hudson Valley
Matthew Zabawa
52 West Street
Warwick, NY 10990
Ph: 845-258-0677
(3 Franchises)

Long Island
William & Sheri Boddy
15 Flower Lane
Centereach, NY 11720
Ph: 631-355-1476

Nassau County
Lance Stubblefield
6601 Reynard Dr.
Springfield, VA 22152
Ph: 240-481-1887
(4 Franchises)

Northport
Michael Butcher
259 Jackson Ave.
Syosset, NY 11791
Ph: 631-652-5896

Queensbury
Matt Authier
12 Helen Dr.
Queensbury, NY 12804
Ph: 413-244-2270
(2 Franchises)

Rochester
Joe and Ryan Madigan
18 Ashery Lane
Fairport, NY 14450
Ph: 585-305-2296

North Carolina
The Carolinas
Chris Souk and Frank Souk Sr.
8414 Peyton Randolph Dr
Charlotte, NC 28277
Ph: 704-965-0800
(4 Franchises)

Cary
Christina and Fred Lockhart
216 Firetree Ln.
Cary, NC 27519
Ph: 919-880-0018
(3 Franchises)

Greensboro
Eric Mwirigi
5305 Jessip St. Apt. 237
Morrisville, NC 27560
Ph: 910-818-8764

Raleigh
Yaron Goldman
131 E. Lincoln Ave., STE. C
Fort Collins, CO 80524
Ph: 970-445-5389
(2 Franchises)

The Outer Banks
Max Brown
109 Scarborough Lane.
Duck, NC 27949
Ph: 252-423-1784

"The Triad"
Kerry Price & Gloria Valencia Rave
438 Mica Court
Winston Salem, NC 27103
Ph: 336-283-1243

Fayetteville
Ryan and Sean Aul
646 Winslow St.
Fayetteville, NC 28306
Ph: 910-485-2119

High Point
Mandral Blackmon
4376 Triump Dr. SW
Concord, NC 28027
Ph: 757-218-2969
(2 Franchises)

Wilmington
Albert Ott
5317 Tangier Dr.
Wilmington, NC 28403
Ph: 925-640-5953

North Dakota
Bismark/Fargo
Mike Burton, Jordan Engle, and Jon Schmidt
602 St. Patrick
Rapid City, SD 57701
Ph: 701-340-2762
(2 Franchises)

Ohio

Cincinnati
Matthew Kunkel
4892 Hunt Rd. Apt 210
Blue Ash, OH, 45242
Ph: 513-276-5466

Columbus
Bill Mize
4090 Bremo Recess
New Albany, OH 43054
Ph: 214-284-1198
(2 Franchises)

Cleveland
Joseph Gardner
9130 Katherine St.
North Ridgeville, OH 44039
Ph: 440-465-9698
(2 Franchises)

Fairfield
Walid Othman
7638 Tollgate
Fairfield, OH 45014
Ph: 859-512-5745

Findlay
Bryon Krupp
1645 Parkside Pl.
Findlay, OH 45840
Ph: 419-425-4337

Oregon

Central Oregon
Larry Holscher
61041 Manhae Loop
Bend, OR 97702
Ph: 541-678-2282

Willamette Valley
Darlene Nixon and Jim Nixon
1345 Titan Dr. NW
Salem, OR 97304
Ph: 410-703-4099

Pennsylvania

Chambersburg
Tim Wilson and Janette Wilson
3227 Portrait Way
Chambersburg, PA 17201
Ph: 717-262-3433

Doylestown
Stephen Ziemba
120 Clovershire Dr.
Nazareth, PA 18064
Ph: 754-208-7867

Harrisburg
Robert Burd
2004 Wexford Rd.
Palmyra, PA 17078
Ph: 717-994-6199

LeHigh Valley
Jennifer Cook
3426 S. 7th Street Ext.
Emmaus, PA 18049
Ph: 757-410-1433
(2 Franchises)

Lincoln University
Mike DePoulter
404 Bobs Lane
Lincoln University, PA 19351
Ph: 484-667-8044

Reynoldsville
Dennis Thompson
887 Apple Orchard Road
Reynoldsville, PA 15851
Ph: 814-591-9585

State College
Jermey Strouse and Emily Thompson
133 Harness Downs Rd.
Port Matilda, PA 16870
Ph: 814-470-1587

Venetia
Bert Kendall
201 Farmington Dr.
Venetia, PA 15367
Ph: 724-413-3341
(5 Franchises)

Wayne
Robert Beyer
989 Fairview Ave.
Wayne, PA 19087
Ph: 478-213-7943

York
Brian and Karen Keeney
454 Marion Rd.
York, PA 17406
Ph: 443-992-0352

Rhode Island
Warwick
M. John Green
20 Westwood Dr.
Groton, CT 06340
Ph: 860-235-5748

South Carolina
Anderson
Tod Schmidt
214 Peninsula Drive
Anderson, SC 29626
Ph: 864-224-7996

"The Carolinas"
Chris Souk & Frank Souk Sr.
8414 Peyton Randolph Dr
Charlotte, NC 28277
Ph: 704-965-0800
(2 Franchises)

Charleston
Todd Silberhorn and Brandon Baney
13300 Stamford Ln
Rockton, IL 61072
Ph: 815-519-8694
(3 Franchises)

Columbia
Brian Andrikis & Stacy Andrikis-Negron
1105 Peace Pipes Place, Unit 201
Myrtle Beach, SC 29579
Ph: 203-530-4263

Myrtle Beach
Noiel Massey
3509 Lake Ave., Apt 1145
Columbia, SC 29206
Ph: 803-586-3664

North Columbia
Todd Whalon
574 Crawfish Lane
Irmo, SC 29063
Ph: 803-413-3317

South Dakota
Rapid City
Jason Herz
1615 Sheridan Lake Rd.
Rapid City, SD 57702
Ph: 605-415-8066

Tennessee
Chattanooga
Christopher Hughes & Michael Frost
9550 Hastings Way
Ooltewah, TN 37363
Ph: 423-593-6866
(2 Franchises)

Johnson City
Brian Powell
3 Sharondale Ct.
Johnson City, TN 27601
Ph: 423-557-6134

Knoxville
Henry Grand and Travis Gran
7343 Crippen Corner Lane
Knoxville, TN 37918
Ph: 865-806-4912
(3 Franchises)

Memphis
Paul Waits, Susan Waits & David Smith
1617 Vinton
Memphis, TN 38104
Ph: 870-931-2496
(4 Franchises)

Middle Tennessee
Troy Hayes
29102 Clocktower Dr.
Franklin, TN 37067
Ph: 615-636-1668
(2 Franchises)

Nashville
Benjamin Graves
1229 Preston Dr.
Nashville, TN 37206
Ph: 615-999-6350

Texas

Austin
Bill & Cynthia Kellough
8992 Windjammer Lane
Montgomery, TX 77316
Ph: 832-287-6509
(4 Franchises)

Peter and Carrie Smith
30 Burton Crescent
Elmval, ON LOLIPO
Ph: 705-716-8294
(3 Franchises)

Carrollton
Jeffery McGahee
2616 Shadow Hill Lane
Plano, TX 75093
Ph: 214-766-1888

Dallas
Kevin Graham
3204 Mosswood Dr.
McKinney, TX 75071
Ph: 979-255-5690
(2 Franchises)

Scott Renegar and Graham Read
4436 Harvest Hill Rd.
Dallas, TX 75244
Ph: 940-783-2206

Glavea Fabiana Pessoa Cabral de Aragao
2200 Scott Creek Dr.
Oak Point, TX 75068
Ph: 469-226-0120

El Paso
Daniel Martinez
13550 Ackerman
El Paso, TX 79928
Ph: 915-228-8282

Frisco
Gene Allison
7363 Callalily Lane
Frisco, TX 75034
Ph: 469-815-2135

Fort Worth
Matthew Cook
4409 Wedgmont Circle S.
Fort Worth, TX 76133
Ph: 340-344-2363
(2 Franchises)

Tom and Anna Leigh Kirk
1817 Potrillo Ln.
Ft. Worth, TX 76131
Ph: 817-797-5416

Grapevine
Monty and Kassie Shipp
8849 Libery Rd.
Aubrey, TX 76227
Ph: 940-391-2525
(2 Franchises)

Houston
Lance Stubblefield
6601 Reynard Dr.
Springfield, VA 22152
Ph: 240-481-1887
(3 Franchises)

Celino Quesada
801 Country Place Apt. 18
Houston, TX 77079
Ph: 281-744-5873

Ralph Talavera
6322 Meredith Dr.
Bellaire, TX 77401
Ph: 832-938-9398

Ray Taylor
10930 S. Country Club Green Drive
Tomball, TX 77375
Ph: 816-889-8166
(3 Franchises)

Lubbock
Leo Johns
8217 Ave. U Apt 6201
Lubbock, TX 79423
Ph: 806-746-7396

Metroplex Southwest
Adam Davis
340 Tioga St.
Burleson, TX 76028
Ph: 740-815-7678

Plano/Garland
Steve Colburn
5345 Breckenridge Ct.
Frisco, TX 75034
Ph: 214-326-5843
(2 Franchises)

San Antonio
Michael Parker
106 Cynthia Dr.
Kerrville, TX 78028
Ph: 830-370-1711
(3 Franchises)

Seguin
Katie Durham
608 Geronimo Dr.
Seguin, TX 78155
Ph: 954-854-7753
(3 Franchises)

Temple/Tyler
Jarred Thomas
3833 Azur Ln., Round Rock, TX 78681
Ph: 512-748-8634
(3 Franchises)

Utah
Kaysville
Boyd and Marcia Casselman
447 Creekside Lane
Kaysville, UT 84307
Ph: 801-628-1032
(4 Franchises)

Orem
Paul "Wes" Jones
183 S. 1930 E.
Spanish Fork, UT 84660
Ph: 801-514-6102

Virginia
Alexandria
Richard "Lance" Stubblefield
23 Canterbury Sq. 202
Alexandria, VA 22304
Ph: 404-642-3670

Blacksburg
Richard B. French
300 Peakwood Dr.
Tazewell, VA 24651
Ph: 276-245-0184

Charlottesville
Bryan Rutherford
7532 Coxton Ct. Unit M,
Alexandria, VA 22306
Ph: 571-213-0349

Fairfax
Richard "Lance" Stubblefield
23 Canterbury Sq. 202
Alexandria, VA 22304
Ph: 404-642-3670
(3 Franchises)

Richmond
John McNamee
1200 Middlewood Ter.
Midlothian, VA 23113
Ph: 804-814-1698

William Bell
4207 Cougar Trail
Chester, VA 23831
Ph: 804-704-0041
(2 Franchises)

Springfield
Victor Semenyuk
7406 Julian Place
Springfield, VA 22150
Ph: 703-300-6873

Stafford
Charles Curry
12 Nassau Court
Stafford, VA 22554
Ph: 540-295-4567
(5 Franchises)

Williamsburg
Carl and Teri Geiling
3412 Fiddlers Ridge Pkwy.
Williamsburg, VA 23185
Ph: 757-585-6072

Washington
Everett
Jack Huffman
4826 169th Ave. SE
Snohomish, WA 98290
Ph: 425-891-5241

Gig Harbor
Mark Eckenrode
140 Fir Drive NW
Gig Harbor, WA 98335
Ph: 253-432-2640

Port Angeles
Derek and Ashley Bies
PO Box 853
Port Angeles, WA 98362
Ph: 360-477-3232

Puget Sound
Sean Sage
2602 Westridge Ave. W., Apt C302
Tacoma, WA 98466
Ph: 253-273-0195
(4 Franchises)

Renton Bellevue
Justin Willard
5703 Charlotte Ave. SE
Auburn, WA 98072
Ph: 253-225-5217
(2 Franchises)

Seattle
John Gabbamonte
1505 5th 57th St.
Tacoma, WA 98408
Ph: 253-988-9648
(2 Franchises)

Spokane
Chris Moua
12105 N. Korey Ln.
Spokane, WA 99218
Ph: 509-868-8399

Tri-Cities
Hiram Whitmer
5109 Teruel Lane
Pasco, WA 99301
Ph: 541-701-1483
(2 Franchises)

Vancouver
Robert Moore
3908 NE 129th Ave.
Vancouver, WA 98682
Ph: 503-313-0982

West Virginia
Charleston
Jeffery Pickering
5303 Edgebrook Drive
Cross Lanes, WV 25313
Ph: 304-610-6397

Wisconsin
Green Bay/Appleton
Mike Burton and Steve Burton
602 St. Patrick
Rapid City, SD, 57701
Ph: 701-340-2762
(2 Franchises)

Milwaukee
Matt Partridge
W69 N410 Foxpointe Ave.
Cedarburg, WI 53012
Ph: 608-206-2662
(2 Franchises)

Watertown
Kevin Ferguson and Peter Berres
4401 E. M-H Towline Rd.
Milton, WI 53563
Ph: 608-295-7800

Waukesha
Jake Cadwell
S30 W31920 County Road E.
Waukesha, WI 53189
Ph: 262-269-0657
(2 Franchises)

Waunakee - "Dane County"
Jeff Meixelsperger
112 Tugger Trail
Nicholasville, KY 40356
Ph: 920-412-1507

Wyoming
Cheyenne
Gerrit Stroebel
3210 Holland Ct.
Cheyenne, WY 82009
Ph: 304-214-8043

CANADA

Alberta
Calgary
Rafael Asuaje
191 Edgeview Dr. NW
Calgary, AB T3A 4X4
Ph: 587-892-1405
(2 Franchises)

British Columbia
Kelowana
Brian & Carla Krueger
524 Sarsons Rd.
Kelowna BC CAN V1W1C2
Ph: 250-300-9769

Ontario
Hamilton/Burlington
Mike Humphreys and Dave Woodcroft
504 141 Catherine Street S.
Hamilton, Ontario L8N 2J7 Canada
Ph: 905-630-3667
(3 Franchises)

Ottawa
Dimos Agraniatos
701 Cezanne Cres
Ottawa, ON CAN K4A2A7
Ph: 613-223-7857
(2 Franchises)

ATTACHMENT J
TO FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

Listed below are the names and last known city, state and telephone numbers of every franchisee who has had an OXI FRESH Business terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the date of this Disclosure Document.

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

The franchisees in this list are ordered and organized based on the franchisees' former territories, which are stated in underline above the franchisees' names. As OXI FRESH Businesses are service-based franchises where the services are performed at the customer's location, many franchisees have addresses outside of their territories.

UNITED STATES

Arizona

Maricopa
David Wedel
Maricopa AZ
Ph: 480-392-3820
(Transfer)

West Valley
David Knapp
Mesa, AZ
Ph: 866-596-0470
(5 Franchises - Transfer)

California

Hercules
Alex Lee
Hercules, CA
Ph: 4048-398-2481
(Transfer)

Orange County
Todd and Jaime Lohr
Aliso Viejo, CA
Ph: 951-206-8484
(3 Franchises - Transfer)

San Diego
Vincent VanBuren
Chapel Hill, NC
Ph: 919-932-0185
(2 Franchises - Transfer)

Stockton
Ronald Lee Weltmer Jr.
Modesto, CA
Ph: 209-605-0072
(2 Franchises - Transfer)

Temecula
Aaron Chiles
Temecula, CA
Ph: 360-798-4631

Walnut Creek
Erick Bakkenta
Albany, CA
Ph: 510-710-7810
(Transfer)

Connecticut

Granby
Marsha Kulcsar
Granby, CT
Ph: 860-478-8057
(2 Franchises)

Florida

St. Petersburg
Roxanne Stein
St. Petersburg, FL
Ph: 516-303-6466

Tampa Bay
Kristofer Goetz
Tampa, FL
Ph: 813-679-2147

Orlando
Jason Gurley
Orlando, FL
Ph: 321-230-1026
(Transfer)

Destin
Brian & Jill Higgins
Thomasville, GA
Ph: 229-977-5273
(Transfer)

Georgia
Atlanta
Sonya Nelson
Atlanta, GA
Ph: 251-648-2400
(Transfer)

Donna Rust
Canton, GA
Ph: 770-345-7735
(2 Franchises - Transfer)

Waycross
Clinton Walker
Waycross, GA
Ph: 704-738-4984

Hawaii
Chad Wheeler
Honolulu, HI
Ph: 808-344-2263
(3 Franchises)

Illinois
Chicago
Tona Alonso and Maria Sales
Appleton, WI
Ph: 920-791-7736

Indiana
Franklin
Greg Parks
Shelbyville, IN
Ph: 317-364-2386

Iowa
Des Moines
William Pierschbacher
Chariton, IA
Ph: 641-203-4593

Kentucky
Louisville
Brandon Hopf
Clarksville, IN
Ph: 812-557-9440
(Transfer)

Maryland
Annapolis/Bowie
Michael and Susan Wehnert
Arnold, MD
Ph: 302-382-4586
(Transfer)

Massachusetts
Southeast Massachusetts
Scott MacMeans
Wrentham, MA
Ph: 508-298-4679
(3 Franchises)

Minnesota
Twin Cities
Cory Anderson
Maple Grove, MN
Ph: 763-443-8184
(1 Franchise - Transfer)
(7 Franchises - Terminated)

Mississippi
Mississippi
Mike Naylor
Brandon, MS
Ph: 601-613-6640
(3 Franchises)

Montana
Billings
Mike Burton and Steve Burton
Rapid City SD,
Ph: 701-340-2762
(Owned by an officer of ours and listed in Item 20 Table No. 4 as a "Company-Owned" outlet)
(Transfer)

Hamilton and Missoula
Ty Holderman
Missoula, MT
Ph: 406-544-1572

New Mexico
Santa Fe
Lisa S. Pellegrino
Corrales, NM
Ph: 505-899-9634

New York
Staten Island
Mark and Pat Seamans
Staten Island, NY
Ph: 917-846-2141

North Carolina
Asheville
Anthony Day
Hendersonville, NC
Ph: 704-477-2317

Ohio
Dayton
Gaylene Rivera, Kris Antolak, Jolene Antolak
Denver, CO
Ph: 303-550-5335
(Owned by an officer of ours and listed in Item 20 Table No. 4 as a "Company-Owned" outlet)
(Transfer)

Tennessee
Knoxville
Terry Carter
Knoxville, TN
Ph: 865-850-9169
(Transfer)

Texas
Dallas
Valeria Alberto
Frisco, TX
Ph: 214-414-5499
(Transfer)

Denton
Jeff Esquibel and Anthony Esquibel
Grand Prairie, TX
Ph: 817-690-4385
(Transfer)

El Paso
Mario Guillen and Luis Guillen
El Paso, TX
Ph: 915-301-4747
Ph: 915-226-9826
(Transfer)

Houston
Olusola and Samira Bakare
Richmond, TX
Ph: 832-231-7306
(3 Franchises - Transfer)

Chris Haas
Houston, TX
Ph: 713-875-8672
(2 Franchises - Transfer)

Ryan Ramsey and Michelle Vazquez
Cypress, TX
Ph: 832-719-0218
(Transfer)

Wisconsin
Fox Valley
Jeff Meixelsperger
Oneida, WI
Ph: 920-412-1507
(Transfer)

ATTACHMENT L
TO FRANCHISE DISCLOSURE DOCUMENT

LIST OF ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, California 90013 (213) 576-7500 (866) 275-2677 (toll free) 1515 K Street, Suite 200 Sacramento, California 95814 (916) 445-7205 1350 Front Street, Room 2034 San Diego, California 92101 (619) 525-4233 One Sansome Street, Suite 600 San Francisco, California 94104 (415) 972-8559	Commissioner California Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, California 90013 (213) 526-7500 (866) 275-2677 (toll free)
FLORIDA	Florida Department of Agriculture and Consumer Services Division of Consumer Services Attn: Finance & Accounting 407 South Calhoun Street Tallahassee, Florida 32399-0800 (850) 410-3800	None
HAWAII	Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	Hawaii Commissioner of Securities Same Address
ILLINOIS	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Illinois Attorney General Same Address
INDIANA	Indiana Secretary of State Division of Securities 302 West Washington Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
IOWA	Iowa Secretary of State 321 E. 12th Street Des Moines, Iowa 50319 (515) 281-5204	Same
MARYLAND	Office of Attorney General Maryland Division of Securities 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Attorney General Franchise Section - Consumer Protection Division G. Mennen Williams Building, 1st Floor 525 W. Ottawa Street Lansing, Michigan 48933 P.O. Box 30213 Lansing, Michigan 48909 (517) 373-7117	Michigan Department of Commerce Same Address
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1638	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance 1526 K Street, Suite 300 Lincoln, Nebraska 68508-2732 P.O. Box 95006 Lincoln, Nebraska 68509-5006 (402) 471-3445	None
NEW YORK	New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8222	Secretary of State of the State of New York 99 Washington Avenue Albany, New York 12231 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505 (701) 328-4712	North Dakota Securities Commissioner Same
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building 350 Winter Street NE, Room 410 Salem, Oregon 97301-3881 (503) 378-4140	Director of Oregon Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building 350 Winter Street NE, Room 410 Salem, Oregon 97301-3881 (503) 378-4140

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
RHODE ISLAND	State of Rhode Island and Providence Plantations Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex - Building 69-1 Cranston, Rhode Island 02920 (401) 462-9500	Director of Rhode Island Department of Business Regulation Same Address
SOUTH DAKOTA	South Dakota Division of Insurance Securities Regulation 124 S Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	Director of South Dakota Division of Insurance Same Address
TEXAS	Secretary of State Statutory Documents Section James E. Rudder Building 1019 Brazos Street Austin, Texas 78701 P.O. Box 13550 Austin, Texas 78711 (512) 463-5705	None
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South, 2nd Floor Salt Lake City, UT 84114 801-530-6601	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051	Clerk of the State Corporation Commission State Corporation Commission 1300 E. Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, Washington 98507-8760 (360) 902-8760	Director of Financial Institutions 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760
WISCONSIN	Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 P.O. Box 1768 Madison, Wisconsin 53701-1768 (608) 266-8557	Administrator, Division of Securities Same Address

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process.

There may also be additional agents appointed in some of the states listed.

ATTACHMENT M
TO FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA

STATE LAW ADDENDA TO THE
OXI FRESH FRANCHISING CO., INC.
FRANCHISE DISCLOSURE DOCUMENT

The following modifications are to the Oxi Fresh Franchising Co., Inc. ("OFFC") Franchise Disclosure Document for the states noted below.

CALIFORNIA

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

OUR WEBSITES (www.oxifresh.com and www.oxifreshfranchise.com) HAVE NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THESE WEBSITES MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

1. The following statements are added to the "Special Risks to Consider About This Franchise" on the State Cover Page:

2. YOU ARE REQUIRED TO HAVE A PHYSICAL LOCATION ADDRESS MEETING GOOGLE'S LOCAL MARKETING REQUIREMENTS IN EACH PROTECTED TERRITORY IN WHICH YOU OPERATE A FRANCHISED BUSINESS.

3. THE FRANCHISE AGREEMENT CONTAINS CERTAIN PROVISIONS THAT LIMIT YOUR RIGHTS AND MAY NOT BE ENFORCEABLE, INCLUDING BUT NOT LIMITED TO (1) A WAIVER OF STATE CONSUMER PROTECTION ACT CLAIMS; (2) A CLASS ACTION WAIVER; (3) AN AGREEMENT NOT TO NAME OUR SHAREHOLDERS, OFFICERS, MANAGERS, MEMBERS, AND OTHER AGENTS AS NAMED PARTIES IN LEGAL ACTIONS; (4) A PUNITIVE DAMAGES WAIVER; (5) A JURY TRIAL WAIVER; AND (6) A TIME LIMIT ON RAISING CLAIMS AGAINST US.

4. THE PROTECTED TERRITORY IS NOT EXCLUSIVE. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS THAT WE OWN, OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS THAT WE MAY CONTROL.

5. THE FRANCHISE AGREEMENT PROVIDES THAT THE PARTIES AGREE TO BEING ABLE TO SEEK INJUNCTIVE RELIEF WITHOUT POSTING A BOND, AND HAVING THE DISSOLUTION OF THE INJUNCTION AS THE ONLY REMEDY AND WAIVING ALL CLAIMS FOR DAMAGES CAUSED BY WRONGFUL ISSUANCE OF SUCH INJUNCTION.

6. YOUR SPOUSE MAY ALSO BE REQUIRED TO SIGN A PERSONAL GUARANTEE MAKING YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT. THE

GUARANTEE WILL PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.

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

Neither we nor any person listed in Item 2 of this Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C. § 78a et seq., suspending or expelling these persons from membership in this association or exchange.

3. The following statement is added at the end of Item 13:

We are not offering franchises in those geographic areas where our settlement agreement in the Oxymagic case prohibits us from licensing others the right to use our Marks.

4. The following statement is added at the end of Item 5:

The Department of Business Oversight requires that we defer the collection of all initial fees from California franchisees until we have completed all our pre-opening obligations and the franchisee is open for business.

5. The following statement is added at the end of Item 6:

In the event that California law is determined to apply, the maximum interest rate permitted under California law varies but is generally 10 percent per annum.

6. The following paragraphs are added to the end of Item 17:

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

The Franchise Agreement contains a covenant not to compete, which extends beyond the termination or expiration of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement requires binding arbitration. The arbitration will occur in Denver, Colorado with the costs being awarded to the prevailing party. Prospective Franchisees are encouraged to consult private legal counsel to determine the applicability of California and Federal laws (such as Business and Professions Code 20040.5, Code of Civil Procedure Section 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 requires application of the laws of the State of Colorado. This provision may not be enforceable under California law.

The Franchise Agreement contains liquidated damages clauses that will apply if you, or one of your officers, directors, partners, members, managers, employees, agents, or representatives interferes with our business in violation of the Franchise Agreement, or if we terminate the Franchise Agreement based on your failure to satisfactorily complete the initial training program or

your failure to provide your first cleaning service to a customer within 90 days after signing the Franchise Agreement. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

Section 31125 of the Franchise Investment Law 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.

You may be required to sign a general release if you renew or transfer your franchise. California Corporations Code § 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§ 31000 through 31516). Business and Professions Code § 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§ 20000 through 20043).

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law. (11 U.S.C. § 101 et seq.)

State Effective Dates

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

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

State	Effective Date
California	_____, 2020

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

RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Oxi Fresh Franchising Co., Inc. ("OFFC") 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.

If OFFC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Attachment L.

OFFC authorizes the parties identified on Attachment L to receive service of process for OFFC in the particular state.

The following Franchise Sellers were involved in the offering of this franchise:

The following employees of OFFC, having a principal business address and telephone number the same as OFFC: Jonathan Barnett, _____
_____.

The following independent sales agent (OFFC requests that the prospective franchisee fill in the information if known):_____, having a principal business address at : _____;
telephone number: _____.

Issuance Date: March 31, 2020.

I received a Disclosure Document dated March 31, 2020, that included the following Attachments:

Franchise Agreement (Attachment A); Confidentiality/Application Agreement (Attachment B); Nondisclosure and Noncompetition Agreement (Attachment C); Statement of Prospective Franchisee (Attachment D); Territory Reservation Deposit Agreement (Attachment E); Form of Successor Franchise Rider to Franchise Agreement (Attachment F); Current Form of General Release (Attachment G); Operations Manual Table of Contents (Attachment H); List of Franchisees (Attachment I); List of Franchisees Who Have Left the System (Attachment J); Financial Statements (Attachment K); List of Administrators/Agents For Service of Process (Attachment L); and State Specific Addenda (Attachment M).

DATE: _____

_____
Prospective Franchisee

Print Name:_____

RECEIPT

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_____.

The following independent sales agent (OFFC requests that the prospective franchisee fill in the information if known): _____, having a principal business address at: _____,
telephone number: _____.

Issuance Date: March 31, 2020.

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Franchise Agreement (Attachment A); Confidentiality/Application Agreement (Attachment B); Nondisclosure and Noncompetition Agreement (Attachment C); Statement of Prospective Franchisee (Attachment D); Territory Reservation Deposit Agreement (Attachment E); Form of Successor Franchise Rider to Franchise Agreement (Attachment F); Current Form of General Release (Attachment G); Operations Manual Table of Contents (Attachment H); List of Franchisees (Attachment I); List of Franchisees Who Have Left the System (Attachment J); Financial Statements (Attachment K); List of Administrators/Agents For Service of Process (Attachment L); and State Specific Addenda (Attachment M).

DATE: _____

_____
Prospective Franchisee

Print Name: _____

IMPORTANT: PLEASE IMMEDIATELY SIGN AND FAX THIS PAGE TO (303) 716-2955, THEN RETURN THIS PAGE BY MAIL OR COURIER TO OXI FRESH FRANCHISING CO., INC. AT 143 UNION BOULEVARD, SUITE 825, LAKEWOOD, COLORADO, U.S.A. 80228.