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5	STATE OF WASHINGTON	
6	KING COUNTY SUPERIOR COURT	
7	IN RE: FRANCHISE NO POACHING NO. 19-2-26245-1 SEA PROVISIONS	
8	MAIDPRO FRANCHISE	
9	(MAIDPRO FRANCHISE CORPORATION ASSURANCE OF DISCONTINUANCE	
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11	The State of Washington, by and through its attorneys, Robert W. Ferguson, Attorney	
12	General, and Rahul Rao, Assistant Attorney General, files this Assurance of Discontinuance	
13	(AOD) under RCW 19.86.100.	
14	I. PARTIES	
15	1.1 In August 2019, the Attorney General initiated an investigation into MaidPro	
16	Franchise Corporation relating to its hiring practices.	
17	1.2 MaidPro Franchise Corporation (MaidPro) is a Massachusetts corporation with	
18	its principal office or place of business in Boston, Massachusetts. MaidPro is in the business of	
19	franchising residential and commercial cleaning service businesses under the "MaidPro®"	
20	trademark.	
21	1.3 For the purposes of this AOD, MaidPro includes its directors, officers, managers,	
22	agents acting within the scope of their agency, and employees as well as its successor and	
23	assigns, controlled subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures.	
24	II. INVESTIGATION	
25	2.1 MaidPro has 4 locations in Washington. All 4 locations are independently owned	
26	and operated by franchisees, none are owned or operated by MaidPro.	

2.2 Prior to April 30, 2019, MaidPro included language in paragraph 6(u) of its franchise agreements that restricted a franchisee's ability to solicit or hire workers from another MaidPro (the 6(u) provision). Specifically, the 6(u) provision stated:

"During the term of this Agreement and for a period of two (2) years after expiration or termination thereof, you shall not hire any person that is currently employed or has been previously employed by us or another MaidPro franchise without prior written consent from us and the previous employer."

A no-poaching provision restricted franchisees from hiring both employees from a competing franchisee and from MaidPro's corporate-owned or affiliate-owned stores.

- 2.3 The Attorney General asserts that the foregoing conduct constitutes a contract, combination, or conspiracy in restraint of trade in violation of the Consumer Protection Act, RCW 19.86.030.
- 2.4 MaidPro expressly denies the conduct described above constitutes a contract, combination, or conspiracy in restraint of trade in violation of the Consumer Protection Act, RCW 19.86.030, or any other law, and expressly denies it has engaged in conduct that constitutes a contract, combination, or conspiracy in restraint of trade. MaidPro enters into this AOD to formalize its practice of not enforcing the 6(u) provision, accelerate removal of the provionv from its Washington franchise agreements and avoid protracted and expensive litigation. Pursuant to RCW 19.86.100, neither this AOD nor its terms shall be construed as an admission of law, fact, liability, misconduct, or wrongdoing on the part of MaidPro.
- 2.5 This AOD is not a holding of liability in a civil action and is not an injunctive or restrictive order or decree resulting from an action brought by a public agency.

III. ASSURANCE OF DISCONTINUANCE

- 3.1 Subject to paragraph 2.4 above, MaidPro agrees:
- 3.1.1 As of April 30, 2019, it will no longer include no-poach provisions in any of its future franchise agreements;

- 3.1.2 It will no longer enforce 6(u) provision in any of its existing franchise agreements, and will not seek to intervene or defend in any way the legality of any no-poach provision in any litigation in which a franchisee may claim third-party beneficiary status rights to enforce an existing no-poach provision;
- 3.1.3 It will notify all of its franchisees of the entry of this agreement with the State of Washington, and provide them a copy of the AOD upon request;
- 3.1.4 It will notify the Attorney General's Office if it learns of any effort by a franchisee in Washington to enforce any existing no-poach provision.
- 3.2 Within 60 days of entry of this AOD, MaidPro will exercise all reasonable commercial efforts to amend all existing franchise agreements with entities and individuals in Washington to remove any no-poaching provisions in its existing franchise agreements. MaidPro is under no obligation to offer any franchisee any monetary or non-monetary consideration to induce them to accept the proposed amendment of the franchise, and it shall be under no obligation to take any coercive action against a franchisee that may refuse or decline to agree to any amendment of its franchise agreement. If any franchise owner is unwilling to consent to the change to its franchise agreement, prior to the 60-day deadline, MaidPro shall provide the name and address of the resisting franchisee and the name and address of the franchisee's registered agent to the Office of the Attorney General.
- 3.3 As they come up for either renewal or renegotiation during the ordinary course of business, MaidPro will amend all of its existing franchise agreements on a nationwide basis to remove any no-poach provision.
- 3.4 Within 30 days of the conclusion of the time periods referenced in this section III, MaidPro will submit a declaration to the Attorney General's Office signed under penalty of perjury stating that all provisions of this agreement have been satisfied.

IV. ADDITIONAL PROVISIONS

- 4.1 This AOD is binding on, and applies to MaidPro, including each of its respective directors, officers, managers, agents acting within the scope of their agency, and employees, as well as their respective successors and assigns, controlled subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, or other entities through which MaidPro may now or hereafter act with respect to the conduct alleged in this AOD.
- 4.2 This is a voluntary agreement and it shall not be construed as an admission of law, fact, liability, misconduct, or wrongdoing on the part of MaidPro. By entering into this AOD, MaidPro neither agrees nor concedes that the claims, allegations and/or causes of action which have or could have been asserted by the Attorney General have merit and MaidPro expressly denies any such claims, allegations, and/or causes of action. However, proof of failure to comply with this AOD shall be *prima facie* evidence of a violation of RCW 19.86.030, thereby placing upon the violator the burden of defending against imposition by the Court of injunctions, restitution, costs and reasonable attorney's fees, and appropriate civil penalties under the Consumer Protection Act. The Attorney General acknowledges that neither this AOD nor proof of failure to comply with this AOD shall be *prima facie* evidence of violation of any other law, including the law of any other state.
- 4.3 MaidPro will not, nor will it authorize any of its officers, employees, representatives, or agents to state or otherwise contend that the State of Washington or the Attorney General has approved of, or has otherwise sanctioned, the conduct described in Paragraph 2.2 with respect to the 6(u) provision in MaidPro's franchise agreement.
- 4.4 This AOD resolves all issues raised by the State of Washington and the Antitrust Division of the Attorney General's Office under the Consumer Protection Act and any other related statutes pertaining to the acts set forth in paragraph 2.1 2.3 above that may have occurred before the date of entry of this AOD and concludes the investigation thereof. Subject to paragraph 4.2, the State of Washington and the Antitrust Division of the Attorney General's

1	Office shall not file suit or take any further investigative or enforcement action with respect to		
2	the acts set forth above that occurred before the date of entry of this AOD.		
3	APPROVED ON this day of	, 2019.	
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6		JUDGE/COURT COMMISSIONER	
7	Presented by:		
8	ROBERT W. FERGUSON		
9	Attorney General		
10			
11	RAHUL RAO, WSBA No. 53375 Assistant Attorney General		
12	Antitrust Division Office of the Attorney General		
13	800 Fifth Avenue, Suite 2000 Seattle, WA 98104		
14	(206) 442-4499 rahul.rao@atg.wa.gov		
15	Attorneys for State of Washington		
16			
17	Agreed to and approved for entry by:		
18	MAIDPRO FRANCHISE CORPORATION		
19	Howard Bundy, WSBA No. 11762	MARK KUSHINSKY	
20	Bundy Law firm PLLC PO Box 1523	Chief Executive Officer MaidPro Franchise Corporation	
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22	(425) 822-7888 bundy@myfranchiselawyer.com	Boston, Massachusetts 02114 (617)742-8787	
23		Mark@maidpro.com	
24	Attorney for MaidPro Franchise Corporation		
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