FRANCHISE DISCLOSURE DOCUMENT

GROUT DOCTOR GLOBAL FRANCHISE CORP
A Nevada Corporation
2150 South 1300 East, Suite 500
Salt Lake City, Utah 84106
(877) 476-8800
www groutdoctor com

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As a franchisee you will operate a mobile service franchise program known as THE GROUT DOCTOR®, specializing in residential and commercial grout, tile and stone cleaning, sealing, re-coloring, repair, re-grouting and re-caulking maintenance services, refinishing, permanent protective coatings and other supplemental services

The total initial investment necessary to begin operation of a Grout Doctor® franchise is $20,435 - $33,445 This includes the $12,000 - $16,000 that must be paid to the franchisor or affiliate

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

You may wish to receive your disclosure document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact Grout Doctor Global Franchise Corp at 2150 South 1300 East, Suite 500, Salt Lake City, Utah 84106 and (877) 476-8800, Extension 711

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 April 1, 2017

STATE COVER PAGE

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

Call the state franchise administrator listed in **Exhibit "C"** for information about the franchisor or about franchising in your state

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

Please consider the following RISK FACTORS before you buy this franchise

1 The franchise agreement requires you to resolve disputes with us by arbitration only in Salt Lake County, Utah Out-of-state arbitration may force you to accept a less favorable settlement for disputes It may also cost you more to arbitrate with us in Utah than in your own state

2 The franchise agreement requires that Utah law governs the agreement, and this law may not provide the same protections and benefits as local law You may want to compare these laws

3 You must pay a minimum monthly royalty fee of between $574 50 and $766 00 (this is an approximation based on the number of owner occupied households in your territory) and a monthly message retrieval fee of $125 00, even if you have no revenue

4 Please note that 77% of grout doctor global franchise corp's total assets are intangible You may want to consider this when making a decision to purchase this franchise

5 There may be other risks concerning this franchise

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

Effective Date See the next page for state effective dates

STATE EFFECTIVE DATES

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

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

California
Connecticut March 27, 2008
Florida August 27, 2016
Hawaii
Illinois
Indiana
Maryland
Michigan
Minnesota
New York
Rhode Island
Texas May 9, 2006
Utah November 18, 2016
Virginia
Washington
Wisconsin

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FRANCHISE DISCLOSURE DOCUMENT

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

Franchisor - The name of the Franchisor is Grout Doctor Global Franchise Corp In this disclosure document Grout Doctor Global Franchise Corp is referred to as "we" or "us" or "Grout Doctor" "You" or "yours" means the person who buys the franchise from us and includes the owners of a franchise that is a corporation, partnership or other entity If you are a corporation, partnership or other entity, your owners must sign an agreement that all provisions of our Franchise Agreement also will apply to your owners and then must personally guarantee and be personally bound by your obligations under the franchise agreement

Our company was incorporated in April 2001 in Nevada Our principal place of business is 2150 South 1300 East, Suite 500, Salt Lake City, Utah 84106 Our fiscal year ends on December 31st Our websites are located at www groutdoctor com and www groutdoctorfranchise com

The address of our agent for service of process in this state is disclosed in Exhibit "D"

Our Business - We offer and sell franchises for Grout Doctor® businesses We, through an affiliate company, operate a business of the type to be operated by you In addition to operating the Grout Doctor® franchise, we currently provide tools and supplies to franchisees and operate the Data Center We have no other business activities We have not offered franchises in any other line of business We are not engaged in any other business

Predecessors, Parents and Affiliates - Our predecessors are International Grout Doctor LLC ("International") and its owner, James J Baity ("Mr Baity"), who is deceased International's principal address was 6145 Oak Lakes Lane, Citrus Heights, California 95612 Mr Baity had conducted business of the type to be operated by you since 1992 To our knowledge, our predecessors did not offer franchises in any other lines of business

We finalized the purchase of the Grout Doctor® trademark, techniques and Grout Doctor® system from Mr Baity in June 2007 We began selling franchises in April 2001 pursuant to a license agreement with Mr Baity We do not franchise under any other name

We do not have a parent, nor any other predecessors or any affiliates required to be disclosed in this item

The Franchise - We grant franchises authorizing you to use The Grout Doctor® trademarks to perform grout and tile repair, maintenance and refurbishing services and stone care to residential and commercial customers

The Franchise Agreement gives you the right to operate your Grout Doctor® business under the name and mark "THE GROUT DOCTOR®", the phrases "WE CURE SICK GROUT®" and "PRETTY TILE, UGLY GROUT?®," 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 "System") as more particularly described in our franchise agreement attached as Exhibit "A" to this disclosure document, and according to our Operations Manual (the "Operations Manual"), within the Exclusive Territory (See Item 12 for details)

As our franchisee, you must offer residential grout, tile and stone cleaning, sealing, recoloring, repair, re-grouting, re-caulking and other maintenance services as defined in Exhibit A-5 of the Franchise Agreement Upon the payment of your Initial Franchise Fee, we will provide to you a complete start-up package as defined in Exhibit A-6 of the Franchise Agreement for that Grout Doctor® Business at no additional cost

In addition to residential grout, tile and stone cleaning, sealing, recoloring, repair, re-grouting and re-caulking maintenance services, Grout Doctor® franchisees may also offer commercial grout and tile care, natural stone cleaning, sealing and refinishing, permanent protective coatings and other supplementary services After operating your franchise for at least 3 months, you may elect to receive training in supplemental services to offer to the public in connection with your Grout Doctor® franchise (See Item 6) You are not required to offer optional or supplemental services If you elect to offer natural stone refinishing, porcelain chip repair or custom fiberglass

shower floor inserts, you will need to complete additional training and acquire additional tools and supplies from us or a designated supplier of ours We may periodically modify the supplemental services available (See Item 6)

We are a member of the International Franchise Association and participate in IFA's Vet Fran Program, which provides special financial incentives to qualified veterans We are also a member of the National Tile Contractor Association ("NTCA")

We recommend that you form a corporation or limited liability company (which you control) to be the owner of the franchise prior to opening if there will be multiple owners or you later transfer or assign a portion of your interest in the franchise to another We reserve the right to require you to form an entity to act as franchisee, with each individual personally guaranteeing the performance of the entity If your franchise is operated as a partnership, corporation or limited liability company, the majority owners, partners, shareholders, members and owner-managers respectively must sign a personal guaranty

The Market - The market for your Grout Doctor® Business includes owners or occupants of residential and commercial buildings The market is generally established and developed, but is growing as new buildings are constructed and owners and occupants of existing and new buildings learn about the options and advantages of grout, tile and stone cleaning, sealing, recoloring, repair, re-grouting and re-caulking maintenance services The sales of the services are not seasonal

Laws and Regulations - We are not aware of any specific regulations relating to the operation of The Grout Doctor® franchised business You should familiarize yourself with federal, state and local laws of a more general nature that may affect the operation of your Grout Doctor® 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 Grout Doctor® 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 these and other laws vigorously and that may adversely affect your ability to obtain the proper permits needed in order to open and operate your Grout Doctor® Business Some localities may have licensing requirements You are solely responsible to determine what local or state regulations, permits, and licenses you will need to comply with and obtain to conduct the franchise business in a particular state, city or town You must check the city, county, and state in which you intend to operate for these requirements and must meet any of these requirements and obtain any required license(s) before opening your Grout Doctor® business We strongly recommend that you make sure that you will be able to obtain all necessary permits and licenses in order to operate your Grout Doctor® Business before signing your Franchise Agreement You may need to consult your attorney to help you understand the laws and regulations in your Territory

Competition - If you acquire a Grout Doctor® Business, you will compete with other businesses offering similar products and services to the general public such as Grout Medic and Sir Grout, as well as carpet cleaning companies that also offer tile and grout cleaning

ITEM 2

BUSINESS EXPERIENCE

JAMES C SNEYD, President and Director

Mr Sneyd is the President of Grout Doctor He was Vice President from January 2012 to February 2013 and Interim President from February 2013 to June 2013 He is also Director of Sales and Marketing for Grout Doctor He is a retired United States Air Force Lt Colonel and more recently retired from Kimberly-Clark Corporation, located in Roswell, Georgia, as a Director of Marketing and Sales He was with them from October 1983 until June, 2009 He has been a licensed real estate appraiser for the State of Georgia, license currently inactive He operated a Grout Doctor® franchise in Woodstock, Georgia from August 2009 to January 2012 He operated a Grout Doctor® franchise in Boston, Massachusetts from January 2013 until October 2014

REGINA A FISCHER, Secretary/Treasurer and Director

Ms Fischer has been Secretary/Treasurer and Director of Finance and Franchise Administration for Grout Doctor since its inception in April 2001 From September of 1997 to August 2014, she operated a Grout Doctor®

business in Salt Lake City, Utah She is also the Secretary/Treasurer for NewLine, Inc in Salt Lake City, Utah since September 1997

DANIEL J START, Vice President and Director

Mr Start is currently a Vice President and Director of Grout Doctor Mr Start was previously Vice President of Grout Doctor from April 2001 until October 2008 In June 2013 he once again became a Vice President for Grout Doctor From September of 1997 to August 2014 he operated a Grout Doctor® business in Salt Lake City, Utah He is also the President of NewLine, Inc in Salt Lake City, Utah since September 1997

JEANINE D SNEYD, Vice President and Director

Ms Sneyd is currently a Vice President and Director of Grout Doctor Ms Sneyd has also been Assistant Secretary of Grout Doctor since January 2012 She is a Registered Nurse who worked in Woodstock, Georgia with twenty-five years of active nursing experience She is also a principal of JDS Medical Transcription Services located in Woodstock, Georgia since 1998 She operated a Grout Doctor® franchise in Woodstock, Georgia from August 2009 to January 2012 She operated a Grout Doctor® franchise in Boston, Massachusetts from January 2013 until October 2014

ITEM 3

LITIGATION

No litigation is required to be disclosed in this item

ITEM 4

BANKRUPTCY

No bankruptcies are required to be disclosed in this item

ITEM 5

INITIAL FEES

Your initial franchise fee is based on the number of owner-occupied households in your territory calculated at the rate of $0 08 per household (Example 1 150,000 households times $0 08 = $12,000 Example 2 200,000 Households times $0 08 = $16,000) A minimum territory size is approximately 150,000 owner-occupied households and a maximum territory size is approximately 200,000 owner-occupied households The number of households located within a territory is determined by the use of GEOMETRX computer software This software also provides demographic information by zip code for the households within the territory This software is automatically updated twice annually The franchise fee is payable in a lump sum by cashier's check or by draft at the time of execution of the franchise agreement (however this provision may not be applicable in certain states, see state specific addenda)

The initial Franchise Fee for veterans of any of the United States Military Services is reduced by fifty (50%) percent to $0 04 cents per household The initial franchise fee for the first franchise sold in each one of the 50 United States and the District of Columbia is reduced by twenty (25%) percent to $0 06 for each household in the related territory You may only use one reduction for the initial franchise fee even if multiple reductions may apply The maximum reduction allowable is 50% if you are a veteran and 25% if you are not a veteran

Once you own a franchise, you may purchase additional or multiple franchises at a 50% discount You will pay $0 04 per owner occupied household in the proposed territory Purchase of the additional franchise at the reduced rate does not include any opening marketing, startup packages or training Purchase of an additional or multiple franchises is subject to our approval

The initial franchise fee is non-refundable, the only exception is if we terminate your franchise based on your failure to satisfactorily complete our initial training program in our sole discretion In that event, we will refund your

initial franchise fee, minus up to of $6,675 for training costs and minus any actual out-of-pocket expenses we incur in connection with your transaction The franchise fee is not refundable under any other conditions

Except as noted above, the costs and fees are uniform for all franchisees and are not refundable Some states require deferral of the initial franchise fee until all of our pre-opening obligations to you are satisfied (see state specific addenda)

ITEM 6

OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty*	9% to 6% of monthly gross sales based on a declining scale or a minimum payment of $0 00383 per household in your territory (approximately $574 50 to $766 depending on number of households), whichever is greater Maximum monthly royalty payment is $0 0075 per household in your territory (approximately $1,125 to $1,500 depending on the number of households)	Paid via bank draft on or before the 5th day of each month	Gross sales include all revenue from the franchise business, but exclude sales tax and sales of products to consumers We reserve the right to collect this fee weekly in the future See Note 1, Note 5 and Note 7
Message Retrieval, Distribution and Data Entry*	$135 - $165 per month	Must be received by the 1st of each month for that month's service	See Note 2
Promotional Materials*	Cost plus 10%	Upon placing order	See Note 3
Successor Franchise Fee*	$500	Prior to your entering into a successor franchise agreement	Payable prior to your entering into a successor franchise agreement if you elect to continue your franchise after the initial term
Additional Trainees*	Our then-current fee for additional trainees Currently the fee is $250 per person per day	2 weeks before beginning of training	We will provide initial training to you and 1 additional person at no charge This fee is for training of more than 2 persons or additional persons in the future Additional trainees may be scheduled at a later date See Note 4

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Additional On-Site Assistance*	Our then-current fee for additional training Currently the fee is $300 per representative per day plus travel, food, and lodging expenses of our representative(s) or the current fee in effect at the time	On demand	We can adjust this fee at any time The current fee will be listed in the manuals We provide on-site consulting assistance as reasonably requested by you, or as required by us (see Item 11)
Supplemental Services Training Fee*	Our then-current fee for supplemental services training Currently the fee is $120 to $250 per person per day	2 weeks before beginning of supplemental services training	We can adjust this fee at any time After operating your franchise for at least 3 months, you may request training in supplemental services This fee is charged for each person to attend the supplemental training See Note 4
Conventions, Periodic, Meetings and Seminars*	Our then-current fee (currently about $165 to $250 for each attendee at any convention, periodic meeting, or seminar) plus the costs of travel, food, and lodging	1 month before meeting or seminar	We may charge you a fee to cover the expenses incurred in connection with such meetings or seminars We can adjust this fee at any time
Relocation Fee*	$1,000	On demand	If you request to move your franchise to another location and we approve this move, we charge you this fee to cover our costs associated with this change
Transfer Fee*	$2,000 plus our out-of-pocket expenses	At the time of approved transfer	If you sell your franchise or business, you or your buyer must pay us the transfer fee No charge if your franchise is transferred to an entity that you own 60% or more and control
Insurance*	Costs incurred by us	On demand	Payable to us if we pay your premium when you fail to do so
Attorneys' Fees and Costs*	Costs incurred by us	Upon completion of proceeding	Payable when we incur legal costs in enforcing the franchise agreement and prevail in any action

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Indemnification*	Loss, liability, taxes or damages and costs incurred by us	When claim brought against us	You must reimburse us for any liability and costs incurred by us by reason of your ownership or operation of the business
Management Fee*	Our costs plus 10% of gross sales	Upon demand	You must reimburse us our costs, plus 10% of gross sales, if we elect to manage your business due to unexpected circumstances to protect harmful interruption of your business
Interest*	Lesser of maximum legal rate or 1-1/2% per month	On late payments	We charge interest on your past due accounts
Audit Fee	Cost of Audit	On Billing	If understatement of 2% or more of gross sales or records are unavailable
System Non-Compliance	Amount to be specified in the operations manual Currently there are various charges ranging from $10 to $250 per day/per instance for non-compliance	On demand, as incurred	Paid in addition to other payments to us See Note 6
Customer Complaint Resolution Fee*	$75 per incident, plus our costs	On demand, as incurred	If you do not resolve a customer complaint and we are required to assist them, you must pay the fee and reimburse us for any of our costs to respond to and compensate complaints from your customers
Late Payment Fee/NSF Fee*	Currently the fees are 5% per month/$25 00 per occurrence	Payable with royalty or reports or on demand/per NSF Transaction	This late payment Fee is in addition to interest Charges and interest begin to accrue after the due date of any royalty, fee, report, or other required payment We can adjust these fees at any time We may change these fees at any time

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Marketing Fund Fee	Currently 1/2% of monthly gross sales, we reserve the right to require up to 3% of gross sales for an marketing fund in the future	If implemented, paid in accordance with the royalty	The marketing fee may be used by us for national or regional marketing, as we choose If we cause the formation of a local or regional marketing group, you will be deemed to be a member and we may choose to pay the marketing fund fee to the group We will not control the group See Item 11
Local Marketing Requirement	20% of monthly gross sales or $2,000 per month, whichever is greater, during the first 6 months Thereafter the minimum allotment is $1,200 per month	Payable Monthly	You will spend at least this amount every month to advertise your franchise business locally We may increase the required local marketing amount This amount is paid directly to the vendors and other suppliers of your local marketing We may require you to contribute all or a portion of your local marketing to a regional cooperative
Technology Fee	Currently there is not a charge for use of the software and other technology, but we reserve the right to charge a monthly or annual fee in the future	If implemented, paid in accordance with the royalty	If implemented, the fee may be used for the costs and maintenance of the software including payment to employees This fee will be updated periodically in our manuals

*Items marked with an asterisk (*) denote fees that you pay to us and that are non-refundable All fees are uniform

Note 1 Royalty The amount of the royalty is as follows or a minimum payment of $0 00383 per household, whichever is greater

9% of your gross sales if your gross sales are from $0 to $8,000
8% of your gross sales if your gross sales are $8,001 to $12,000
7% of your gross sales if your gross sales are $12,001 to $15,000
6% of your gross sales if your gross sales are $15,001+

The maximum monthly royalty is $0 0075 per household

You are not required to pay royalties for the first month following the commencement of operations of your franchise business and your royalty will be reduced by 50% for the following two months After that you will be required to pay the full royalty amount each month We require payment to be made by bank sweep, draft or other similar type of electronic funds transfer as set by us periodically

Note 2 Data Center We provide the Data Center for message retrieval, distribution and data entry The Data Center will receive, retrieve and distribute all calls to your The Grout Doctor® telephone number, enter them into your Grout Doctor® Franchise Management Software, and will also forward them on to you based on your zip code territory You pay for this service, currently the charge is $135 per month for the standard service and $165 per month for the expanded service (franchise agreement - paragraphs 4 6 and 5 3 4) You must utilize the Data Center We will designate a local telephone number for all marketing in your territory You are prohibited from using any other telephone number in any marketing you conduct except marketing tracking numbers approved by us Fees paid to the Data Center are not refundable

Note 3 Promotional Materials If you choose to purchase promotional marketing supplies, you must purchase them from us, or a designated supplier Such supplies include desk supplies, calendars, pins, coffee mugs, and key chains, and other items we may make available

Note 4 Training We do not charge you a fee for initial training for up to 2 people trained, but you must pay for your own travel, food, and lodging and meals for the duration of the training program You must also pay your own travel, food and lodging for any additional or supplemental training you schedule with us

Note 5 Gross Sales The term "gross sales" currently includes the total of all sales of services sold or rendered by you but does not include the sale of products or other goods Gross sales exclude bona fide credits and refunds for services and also excludes amounts paid by you for sales or use taxes on the sale of any merchandise or service We reserve the right to include the sale of products in the definition of gross sales in the future

Note 6 System Non-Compliance For certain defaults in your compliance with our system, we reserve the right to institute a series of fines and charges in our operations manual that may be revised by us periodically

Note 7 You are required to stay current with the input of your data entry into the Franchise Management software (Sandstone)You must enter your data not less than weekly and on the last day of each month You must complete the royalty report on the last day of each month representing that all invoices and receipts have been recorded Failure to complete the royalty report will result in us drafting the maximum royalty due under your franchise agreement

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee	$12,000 to $16,000 (Note 1)	Lump Sum	When You sign the franchise agreement (however, see state specific addenda)	Us
Expenses During Training	$150 - $2,000 per person (Note 2)	As incurred	As needed	Vendors
Marketing (3 months)	$6,000 - $9,000 (Note 3)	As incurred	As needed	Marketers
Vehicle (3 months)	$0 - $1,000 (Note 4)	As arranged	Before Opening	Vendor
Telephone/high speed internet capability	$0 - $100 (Note 5)	As arranged	Before Opening	Telephone company, vendor
Computer System	$0 to $500 (Note 6)	As arranged	Before Opening	Vendor

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Insurance, Liability (3 months)	$300 - $500 (Note 7)	As incurred	Before Opening	Insurance company
Insurance, Auto (3 months)	$330 to $600 (Note 8)	As incurred	Before Opening	Insurance Company
Initial Equipment, Tools, and Office Furniture (3 months)	$0 - $500 (Note 9)	As incurred	As needed	Us, Vendors
Initial Inventory (3 months)	$250 - $500 (Note 10)	As incurred	As needed	Us, Vendors
Initial Forms, and Office Supplies (3 months)	$0 - $50 (Note 11)	As incurred	As needed	Us, Vendors
Licenses	$0 - $200 (Note 12)	Lump sum	Before Opening	Municipality
Data Center Fee (3 months)	$405 to $495 (Note 13)	As incurred	1st of each month after opening	Us
Additional Funds – (3 months)	$1,000 to $2,000 (Note 14)	As incurred	As needed	Vendors
Total	$20,435 - $33,445 (Note 15)			

Note 1 Franchise Fee Your initial franchise fee is based on the number of households in your territory calculated at the rate of $0 08 per owner occupied household with a typical territory size including between 150,000 and 200,000 owner-occupied households The initial franchise fee may be reduced if you meet one of the conditions described in Item 5 The maximum reduction allowable is 50% if you're a veteran and 25% if you are not a veteran

The franchise fee is not refundable unless we terminate your franchise based on your failure to satisfactorily complete our initial training program (see Item 5) We do not finance any portion of this fee After opening your franchise you may purchase additional or multiple franchises at a reduced rate (See Item 5) Some states may require deferral of this fee (see state specific addenda)

Note 2 Expenses during Training We do not charge you a fee for initial training of two people, but you must provide your own travel, lodging and meals for the duration of the training program The low estimate assumes you are training locally and do not need to pay for food or lodging costs, but will have auto expenses The high estimate assumes you will need to pay for travel, lodging and food

Note 3 Marketing Grout Doctor pays an amount equivalent to 10% of your franchise fee for your grand opening marketing If you purchase a Grout Doctor® vehicle wrap from a designated supplier within the first 30 days from opening of your Grout Doctor® franchise business, we will pay $450 towards a window wrap, $750 towards a partial vehicle wrap or $1,000 towards a full vehicle wrap to a designated supplier No grand opening marketing or vehicle wrap will be paid by Grout Doctor® when you purchase additional units You must spend 20% of your gross sales or a minimum of $2,000 per month, whichever is greater, for marketing during the first 6 months of operations The amount of marketing needed will vary depending on your goals and the level of response in your area The low range assumes $2,000 per month will generate enough business The high range assumes you need to spend $3,000 per month to reach your goals You must spend a minimum of $12,000 in your first 6 months in business

Note 4 Vehicle You will need a car, van or truck in your business The low range assumes you already have a suitable vehicle The high range assumes you lease a vehicle

Note 5 Telephone You must have a telephone and a high speed internet connection This requirement is in addition to your use of the Data Center and the telephone number we designate for marketing, as described in Item 6 above The costs vary depending on your geographic area

Note 6 Computer System You must have a computer system compatible with accessing the Internet and a high-speed Internet connection Minimum system requirements are Windows 7 or higher with 1 gigabyte of Ram We provide you with Grout Doctor® Franchise Management Software without additional cost to you

Note 7 Liability Insurance You must purchase the amount of insurance we require The estimates are for the first 3 months of premiums The cost of insurance will vary based on policy limits, types of policies procured, geographic location and other factors See Item 8

Note 8 Auto Insurance The estimates are for the first 3 months premium The cost of insurance will vary based on policy limits, types of policies procured, geographic location and other factors

Note 9 Initial Equipment and Tools The low estimate assumes you do not need any equipment or tools other than what we initially furnish you The high estimate assumes you need to purchase additional equipment and tools during the initial 3 months of the business

Note 10 Initial Inventory We furnish you with a new franchisee start-up package, which includes the products listed in Exhibit A-6 of the Franchise Agreement, for the first franchise you purchase The cost and shipping of the new franchisee start-up package is included in the franchise fee for the first franchise you purchase You may need to purchase additional materials such as silicone, bonding agent and stain Additional inventory purchased from us is non-refundable

Note 11 Initial Forms and Office Supplies We provide you initially with an ample supply of business cards, estimate forms, and door hangers After you use up this initial supply, you must purchase such supplies from us, or suppliers approved or designated by us The low estimate assumes you do not need to buy anything other than what we initially furnish to you The high estimate assumes you need to purchase office supplies during the initial three (3) months of business Additional supplies purchased from us are non-refundable

Note 12 Licenses You may be required to obtain licenses to operate your franchise from your local authorities These will vary depending on your location, but may include a business license

Note 13 Data Center After you begin operating your franchise, you must pay for the Data Center service provided by us Currently the charge is $135 per month The low number assumes you have elected to use the standard service, the high number assumes you have elected to use the expanded service (see Item 6)

Note 14 Additional Expenses This item covers miscellaneous start up and operating costs for the first 3 months, including automobile fuel and maintenance and other miscellaneous costs It does not include any payroll or salary to you or to any employees, interest expense, or debt service We assume you will conduct your business out of your home, so no costs have been estimated for investment in real estate or lease of space

Note 15 Total These figures do not include any amount for your personal living expenses, you should have additional sources for payment of personal living expenses These figures are estimates and we cannot guarantee that you will not have additional expenses in starting the business Your costs will depend on factors such as How closely you follow our methods and procedures, your business management skills and experience, local economic conditions, competition, and the sales level reached during the first 3months

We have compiled these estimates based on the experience of our principals and affiliates These amounts are non-refundable, unless otherwise indicated We do not finance any part of the initial investment other than as specifically stated

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Suppliers and Proprietary Products

You must only use the telephone number we designate and provide to you in your marketing or marketing tracking numbers approved by us Any telephone number and marketing belongs to us In addition, you must use the services of our Data Center The Data Center will receive, retrieve and distribute all calls to your Grout Doctor® telephone number, enter them into your Grout Doctor® Franchise Management Software (Sandstone), and will distribute them to you based on your zip code territory You must only use the Grout Doctor® Franchise Management Software we supply We are the only approved source for these products and services

You must purchase and use cleaners and sealers from our designated supplier to use in the operation of your Grout Doctor® Franchise Business We also require that all items bearing our trademark, including cleaning supplies, be purchased from us or other sources designated or approved by us To the extent that we sell materials and items to you, we will derive income from the sale and purchase of such items Occasionally, you will be required to buy special promotional items such as marketing materials, related products and goods from us or from vendors we name in connection with a promotional program or marketing strategy We estimate that the purchase of products and any leases from designated or approved sources will represent approximately 15% to 40% of your overall purchases in establishing and operating your business

Your initial franchise fee covers the cost of your new franchisee start-up package, which includes materials and supplies you will generally need to start your Grout Doctor® business A list of the supplies in the start-up package is attached as Exhibit A-6 to the franchise agreement We will make arrangements to deliver the items in the new franchisee start-up package immediately after you purchase your franchise and prior to opening The cost of required equipment, materials and supplies you must purchase in accordance with specifications is an insignificant percent of the total purchases in connection with the establishment of your franchise

We derive income through mark-ups in prices we charge to you for goods and services sold or provided by us Our total revenues during 2015 were $744,330 of which $108,573 (approximately 14 59%) was derived from the sale of required goods and services to franchisees We derive revenue from payments or other compensations from our supplier of cleaning and restoration products for purchases by us or our franchisees ranging between 10% to 20%

We have products which are marketed and sold to the public through our website You must market and sell these products to your customers Every time a customer uses a code that represents you or a customer purchases the products from your territory without a code, you will receive between 20 – 40% of the sale We track the various purchases and send you your portion of the sale and an accounting of the products sold each quarter You may not sell the products from a website created by you or over the Internet except through our Grout Doctor® website You may purchase these items at a discount and offer them for sale to the public except through the Internet You will be responsible for any sales tax that may become due by selling these products directly to the public

Non-Approved Suppliers

We will provide you with the names of approved products and supplies during training We may periodically make reasonable modifications to our approved list The list of approved services is attached as Exhibit I to the Franchise Agreement We may modify the standards and specifications and the list of approved products and supplies If you propose to purchase or lease any goods or services not previously approved by us, you must submit a written request to us for approval before your use of the item We will consider any request by you for approval of a potential product or supply or modification of a standard or specification We do not provide a list of criteria or specifications to our franchisees or suppliers If we request you to do so, you must also submit to us sufficient specifications, photographs and/or other information or samples for examination and/or testing We will communicate to you within 60 days our determination on whether we approve the product or item for your use We can charge you a reasonable amount to cover our expenses in testing or inspecting any item

Insurance

The insurance policies you must purchase and maintain throughout the term of the franchise must be issued by an insurance carrier approved by us You must maintain Comprehensive General Liability Insurance with a General Aggregate of no less than $1,000,000, Workers' Compensation including Employer's Liability insurance as provided by state law for you and your employees, and Auto liability insurance with business coverage with deductibles not to exceed $1,000 00 but in no instance less than $100,000/$300,000/$50,000 or combined single limits of $250,000 for bodily injury and property damage which amounts may be changed upon receipt of written demand from us from time to time You must also maintain and keep in force all worker's compensation and employment insurance on your employees that is required under all federal and state laws We can require you to obtain different or additional kinds of insurance and may increase the amount of coverage required Failure to obtain and maintain the required insurance constitutes a material breach of the franchise agreement entitling us to terminate the agreement You must name Grout Doctor Global Franchise Corp , 2150 South 1300 East, Suite 500, Salt Lake City, Utah 84106 as an additional named insured on your Comprehensive General Liability Insurance, your Workers' Compensation and the other required insurance policies You must provide us with proof of the required insurance for your Auto Insurance Policy with business coverage All the policies must provide for 30 days prior written notice to us, of any material modification, cancellation or expiration of the policy These insurance coverage requirements are only minimums You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate We do not derive revenue as a result of your purchase of insurance

Software and Technology

We provide you with Grout Doctor® Franchise Management Software (Sandstone) without additional cost to you Grout Doctor® provides contact management, calendaring, statistical analysis, invoicing and royalty reporting software to manage your franchise You must use the software we provide We are the only approved supplier of this product

We may require you to have a tablet or smart phone that can operate a mobile app for the system (See Item 11 for more detail)

Supplemental Services

After operating your franchise for at least 3 months, you may elect to be trained to offer supplemental services to the public We or our designated trainers are the only source for training in these supplemental services and you must pay a training fee to us (see Item 6) The supplemental services we offer to train you in may change periodically in accordance with our operations manual Currently we offer training in the following supplemental services Stone Restoration and Polishing Electing to offer these supplemental services in connection with your Grout Doctor® franchise may require you to purchase additional equipment and supplies from our designated or approved suppliers or in accordance with our specifications At this time we are not a designated supplier of the equipment or supplies

Miscellaneous

We do not currently have any purchasing or distribution cooperatives We currently negotiate purchase arrangements with suppliers for the benefit of the franchisees We do not provide material benefits to franchisees based on franchisee's purchase of particular products or services or use of particular suppliers None of our officers or owners owns an interest in any of our approved or designated suppliers

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a Site Selection and acquisition/lease	Sections 4 1 of the franchise agreement	11
b Pre-opening purchases/leases	Not Applicable	Not Applicable
c Site development and other pre-opening requirements	Not Applicable	Not Applicable
d Initial and ongoing training	Paragraphs 6 1 4, 7 1 6, and 7 1 7 of the franchise agreement	6, 11, 15
e Opening	Section 4 3 and paragraph 7 1 3 of the franchise agreement	11
f Fees	Article V of the franchise agreement	5, 6, 7
g Compliance with standards and policies/operating manual	Section 6 2 and article IX of the franchise agreement	8, 11, 14, 16, 17
h Trademarks and proprietary information	Article III of the franchise agreement	11, 13, 14
i Restrictions on products/services offered	Article VIII of the franchise agreement	8, 16
j Warranty and customer service requirements	Paragraph 6 1 2 of the franchise agreement	11
k Territorial development and sales quotas	Not Applicable	Not Applicable
l Ongoing product / service purchases	Article VIII of the franchise agreement	8, 16
m Maintenance, appearance, and remodeling requirements	Paragraph 6 1 8 of the franchise agreement	11
n Insurance	Section 6 1 10 of the franchise agreement	6, 7, 8
o Advertising	Article X of the franchise agreement	6, 7, 11
p Indemnification	Section 15 2 of the franchise agreement	6, 13
q Owner's participation/ management/staffing	Paragraphs 6 1 6, 6 1 7, and 6 1 9 of the franchise agreement	15
r Records and reports	Sections 5 4 and 5 5 of the franchise agreement	6
s Inspections and audits	Section 5 5 and paragraphs 6 2 2(iv) and 7 1 8 of the franchise agreement	6, 11, 13 3 5

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
t Transfer	Article XIV of the franchise agreement	6, 17
u Renewal	Section 2 2 of the franchise agreement	6, 17
v Post-termination obligations	Section 12 1 of the franchise agreement	17
w Non-competition covenants	Article XVI of the franchise agreement	17
x Dispute resolution	Article XVII of the franchise agreement	6, 17
y Compliance with government regulations	Paragraph 6 1 1 of the franchise agreement	1
z Guarantee of owners	Paragraph 6 4 1 of the franchise agreement	15

ITEM 10

FINANCING

We do not offer direct or indirect financing We do not guarantee any of your notes, leases or other obligations You must obtain any necessary financing from sources of your own choosing and without our assistance

ITEM 11

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

Except as listed below, Grout Doctor Global Franchise Corp is not required to provide you with any assistance

We provide the following services to you before the opening of the franchised business (references are to the Franchise Agreement unless otherwise noted)

1) The criteria we consider in configuring your territory may include the number of owner occupied households in contiguous zip code areas, the household income of the households and the geographic layout of your territory If your office is located outside of your home, the office space must be located in your territory We will configure your territory (section 1 1) before you purchase your franchise However, you must identify a location for your office which may require our approval if it is not located in your home We do not assist you in locating a site or in negotiating a lease If you do choose to open an office in a location other than your home, you must adapt the above, at your own expense, to your site in accordance with local, state and federal laws, rules and ordinances with our approval You are responsible to obtain any required permits and to ensure compliance with the Americans with Disabilities Act We do not assist you with the construction, remodeling or decorating of the premises

2) We will furnish you with initial training, which is described in more detail later in this Item 11 (Paragraphs 6 1 4 and 7 1 6) At training, we will supply you with a list of our designated or approved suppliers and our specifications No initial training will be provided when additional units are purchased

3) We will furnish you with a complete start-up package that includes an initial supply of estimate sheets, business cards, shirts, vehicle signs and other supplies and materials in quantities that will last approximately 30 - 90 days (section 4 4 and exhibit A-6) No start-up package will be provided when additional units are purchased

4) We will loan you a copy or provide electronic access to our confidential operations manual The manual is confidential and will remain our property You must keep the contents of the manuals confidential You may not copy any part of the manuals, either physically or electronically We have the right to add to and otherwise modify the confidential operations manual to reflect changes in products, services, specifications, standards and operating procedures, including sales and marketing techniques relating to the franchise business The master copy of

the confidential operations manual maintained by us at our principal office will be controlling in the event of a dispute relative to the contents of the confidential operations manual (article IX) The table of contents of the operations manual is set forth on Exhibit "F" and the operations manual has approximately 722 pages No additional operations manual will be provided when additional units are purchased

5) We will analyze your territory for marketing and facilitate the purchase of a Grout Doctor® vehicle wrap and place grand opening marketing on your behalf This grand opening marketing is paid for by us using a maximum of 10% of your franchise fee (Paragraph 7 1 3) No grand opening marketing will be provided nor will any amount be paid toward your vehicle wrap when additional units are purchased

6) We will provide you with a marketing and marketing plan which may include direct mail marketing, online marketing and a media package that includes ads approved for immediate use (Article X)

7) Estimated Length of Time Before Operation The average length of time from the date the Franchise Agreement is signed to the opening of the franchised business is approximately 21 days Factors affecting this length of time include setting up your office, obtaining the necessary licenses, placement of marketing, delivery of inventory, tools and supplies, and successful completion of the initial training program By the terms of the Franchise Agreement, you must open your franchised business within 90 days of the date you sign the Franchise Agreement (Section 4 3)

We provide the following services to you after the opening of your franchised business

1) We provide the Data Center for message retrieval and distribution from your assigned Grout Doctor number The Data Center will receive, retrieve and distribute all calls to your Grout Doctor® telephone number, enter them into your Grout Doctor® Franchise Management Software (Sandstone), and will also forward them on to you based on your zip code territory You pay for this service, currently the charge is a minimum of $135 per month (section 4 6 and paragraph 5 3 4)

2) We will, upon request, furnish ongoing consultation on the promotional, business or operations problems, suggest possible improvements and provide analysis of your services, sales, marketing and financial data (paragraph 7 1 4)

3) We will, upon request, provide you with backdrop signage, table skirt, one Grout Doctor® lab coat and advisory assistance for trade show booths at trade shows You will pay shipping and handling fees We reserve the right to require a refundable deposit for all such items (paragraph 7 1 9)

4) We do not assist you with the training, hiring, managing, or firing of your employees You are solely responsible for the hiring of all your employees, along with the management, supervision, and oversight of your employees, and for the terms and conditions of their employment and compensation Other than initial and ongoing management training, we do not assisting you with training your employees However, we will, upon request, provide you additional assistance at your location, at our then-current fee, as well as our expenses incurred in connection with such additional assistance including the cost of travel, food and lodging for our representatives and other expenses incurred in connection with the assistance [franchise agreement paragraph 6 1 9]

5) We will, upon request, make our training program available to your employees, partners and associates, at reasonable times and at our then current fees (paragraph 7 1 7) The training and operating assistance, in whole or in part, may be provided by qualified, existing franchisees, who are not our employees You will be responsible to pay for the cost of travel, food and lodging for your employees or for our representative if a representative travels to you

6) Provide an advisory service which may include monthly reviews with you and shall include consultation on promotional efforts, business or operational problems with analysis of your sales, marketing and financial data Such services may be provided by us at your location, by mail, e-mail, telephone, teleconference, webinar, or other means at our discretion (paragraph 7 1 4)

7) We provide you with Grout Doctor® Franchise Management Software (Sandstone) without additional cost to you for each franchise you purchase Grout Doctor provides contact management, calendaring,

statistical analysis, invoicing and royalty reporting software to manage your franchise You must use the software we provide (paragraph 6 1 12)

8) We have Grout Doctor® products, which are marketed and sold to the public through our website You must market and sell these products to your customers Every time a customer uses a code that represents you or a customer purchases the products from your territory without a code, you will receive between 20 – 40% of the sale We keep track of the various purchases and send you your portion of the sale and an accounting of the products sold each quarter You may not sell the products from a website created by you or any other place over the internet except through the Grout Doctor® website and Grout Doctor® Facebook Pages established by us You may purchase these items at a discount and offer them for sale to the public except you may not offer them for sale through the internet You will be responsible for any sales tax that may become due by selling these products directly to the public (paragraph 6 2 2(ii))

We may, but are not obligated by the franchise agreement to

1) Hold annual conferences to discuss improvements, new developments, mutual concerns and business issues Attendance is mandatory for the first three years after you open and bi-annually thereafter There is a conference fee This has generally cost between $165 and $250 for each attendee You must also pay all your travel and living expenses to attend the conference These conferences will be held at various locations chosen by us (paragraph 6 1 13)

2) Conduct teleconferences, as reasonably needed, to discuss sales techniques, bookkeeping, accounting, inventory control, performance standards and marketing programs (paragraph 7 1 4) At this time there is no charge for this service, but that is subject to change at our sole discretion

3) Establish additional policies, procedures, standards and specifications for the operation of your franchise business We may change, modify or update these procedures, standards and specifications at our discretion All modifications may be posted online You must strictly follow these policies, procedures, standards and specifications Failure to do so is grounds for termination of your franchise (paragraph 9 1 1)

4) We are not required to provide in-person, on-going assistance, however, if you feel additional on-site assistance is necessary, we will provide assistance and supervision at your business location For our services you will be charged our standard rate in effect at the time We currently charge a fee of $250 per day per person for training at our headquarters and $300 per day per person for training at your business location, payable in advance, or as otherwise agreed You must also pay the cost of travel, meals and accommodations for our representatives (paragraphs 7 1 4 and 7 1 6)

5) Make periodic inspections of your business for compliance, consultation, assistance, and guidance in the operation and management of the franchise as we deem appropriate from time to time We will provide written reports of any suggested changes or improvements for the operation or management and detail any defaults in operations which become evident as a result of any such evaluation and inspection Additional guidance, at our sole discretion, will be furnished in the form of our confidential operations manual, bulletins or other written materials, telephone consultations and/or consultations at our offices or at your franchise business in conjunction with an inspection of such a franchise business (paragraph 6 2 2(iv))

6) At your request, provide you with samples of marketing and promotional materials developed by us You may develop marketing materials for your use, at your cost, but all marketing materials must be approved by us in advance and in writing, and all such ads will become the property of Grout Doctor and may be used by us and other franchisees in future marketing in accordance with the operations manual without compensation to you We may also make available to you promotional marketing material, which shall include without limitation miscellaneous desk supplies, calendars, pens, coffee mugs, and key chains The marketing supplies shall be billed to you plus actual shipping costs The cost for all such promotional materials is payable with your order for same Materials will not be shipped until the amount is paid in full (sections 10 3 and 10 4)

7) Develop promotional programs and campaigns which shall be mailed to clients and prospective clients or which shall be placed in state, regional or national publications (section 10 4)

Marketing Plan

Marketing Fund - Your payment of the royalty entitles you to the marketing support described in this Item 11 There is currently no separate marketing program, and you are not required to contribute to an marketing fund, either national or regional in scope at this time There is currently no marketing council, which advises us on marketing policies (section 10 1)

We may institute, maintain and administer a national marketing and development fund (referred to as the "marketing fund") for local, regional or national marketing or public relations program as we, in our sole discretion, may deem necessary or appropriate to market and promote company centers and franchise centers in the future When implemented, you and other franchisees will be required to contribute an amount up to 3% of gross sales to the national fund This will be uniform and company-owned outlets contribute to the fund We will direct all these programs, with sole discretion over (1) the creative concepts, materials, endorsements and media used regarding these programs (which may include television, radio and print marketing as funds permit), (2) the source of the marketing or public relation efforts (which may be in-house or through an outside agency located locally, regionally or nationally), (3) the placement and allocation of these programs (which will be local or regional), and (4) the composition of all geographic territories and market areas for the development and implementation of these programs (section 10 1)

Most placement is done on a local basis, typically by local marketing agencies hired by individual franchisees or marketing cooperatives We do not provide for placement of local marketing However, we will provide advice on local marketing, and direction regarding the proper usage of our trade names, trademarks, service marks, and other trade symbols We reserve the right to use marketing fees from the marketing fund to place marketing in national or regional media (including broadcast, print or other media) You will contribute to an marketing fund, which will be used at our sole discretion for local or national marketing and or public relations programs

We are responsible for administering the fund We may receive payment for providing goods or services to the marketing fund We are not required to spend any amount on marketing directly in the area or territory where you are located Marketing funds are used to promote the products and services sold by the franchisees and may be used to solicit or sell additional franchises Any unused marketing funds in any calendar year will be applied to the following years' fund Upon your written request, we will provide you an unaudited annual report of marketing expenditures within ninety (90) days of the end of each year

Local Marketing - During your first 6 months of operation, you must spend at least 20% of your gross sales, or a minimum of $2,000 each month, whichever is greater, on approved local marketing In addition, upon our request, you must submit an itemized report to us documenting proof of expenditures for local marketing in the form we may require You may only use marketing materials supplied or approved by us (paragraph 5 3 2) After your first 6 months of operations, you must spend at least $1,200 a month on marketing, but this is a minimum, the full amount of your marketing allotment will be at your sole discretion although we highly recommend you continue marketing at the rate of 15% to 20% of your gross sales

We may require you to list separately or participate in a combined listing in the Yellow Pages of your local telephone directory or other form of listing whether electronic or in print as we may specify You and other participating franchisees shall bear the cost of such listing(s) (section 10 8)

Marketing and promotional materials developed by us are available to all franchisees An individual franchise is not limited in the amount or type of marketing that it may conduct in its territory, provided however, that all marketing materials developed by you must be approved in advance by us Consequently, your gross sales may be directly affected by the amount, type and effectiveness of marketing conducted by you

Although we may suggest prices for the services offered, you may offer and sell such services at any price you choose Your gross sales may be directly affected by the pricing you charge

The Internet - You may not create a website and/or a social networking site without our express written permission If you receive permission for your own website from us, all content placed on the site must be pre-approved by us, in writing, and must strictly comply with the policies and procedures established by us regarding websites, social networking sites and internet marketing We reserve the right to require you to use our website

designer or a designated designer Even if we give permission for a site, we reserve the right to not allow you to have the site in the future If we give you permission to create a website or social networking site, you are required to provide us all usernames, passwords, account information and any other information related to any of your website, social media site, social network site accounts immediately upon our request We also reserve the exclusive right to sell Grout Doctor® products on our site You may not sell any Grout Doctor® products on any site created by you or others without our express written permission

Local Marketing Groups - We may require you to join a local marketing group ("Local Marketing Group") that includes other franchisees in your market area We will determine the market area If we do, you must contribute to the Local Marketing Group in accordance with the rules and regulations of the Local Marketing Group We may direct you or other franchisees to pay all or part of the required National Marketing Fees to the Local Marketing Group The membership, rules and regulations of a Local Marketing Group, including how marketing fees are to be spent, will be determined by the Local Marketing Group's member franchisees, but must be approved in advance by us The Local Marketing Group must operate based on written governing documents, and those documents will be available for review by franchisees A Local Marketing Group must provide unaudited quarterly financial reports to us, and those reports will be available for review by franchisees at our headquarters We can require Local Marketing Groups be changed, dissolved or merged If a Local Marketing Group is established in a market area, all company-owned Grout Doctor® Businesses operating in that market area, if any, will contribute to the Local Marketing Group on the same basis as franchisees (Section 10 2)

Computer and Technology Requirements

You are required to buy and maintain at your expense any computer system and software capable of accessing the internet and utilizing our Grout Doctor® Franchise Management Software (Sandstone) for use in your franchised business You must also have a high speed internet connection The major required functions of this computer system are to utilize the Grout Doctor® Franchise Management Software, provide communication and submit required reports and information to us Minimum system requirements are Windows 7 or higher with 1 gigabyte of Ram or the Macintosh equivalent We estimate the cost of purchasing a computer system to fit these specifications to be approximately $500 We provide you with the Grout Doctor® Franchise Management Software (Sandstone) and make necessary upgrades to this software without additional cost to you We may require you to upgrade your computer equipment at your cost so it will accept and utilize the upgrades in the software we provide you We estimate that the cost to upgrade your computer system would be approximately $500 However, you generally will not be required to upgrade your equipment more than once during the term of the franchise agreement After 2016, we may also choose to charge a fee for the use of the software We will have independent access to the contact information and data collected or generated by your computer and software systems You must keep these systems available 24 hours a day, 7 days a week There are no contractual limits on our rights to do so You must maintain a valid e-mail address, known to us, during the entire term of your franchise agreement (Paragraph 6 1 12)

In the future, we may require you to have a tablet or smart phone that is capable of running a mobile app for the system If you do not have one, we estimate the cost of such a device to be between $250 and $700 depending on the brand or type of device

Training

You must successfully complete our initial training program You may also bring one partner, spouse or employee to the training program at no additional fee to you In the event you wish to bring more than one person, you must pay us a training fee for each additional attendee, currently $250 per person per day, and must schedule a separate training date You must provide your own travel and lodging and food for the duration of the training program for you and your attendees If you hire a manager to run your franchise business, the manager must be trained by us Each manager hired after the initial training will be required to be trained by us and you must pay us the then current training fee and the cost of travel, lodging and food for the manager during training

Your attendance at the initial training is mandatory We may require you to attend additional training if we determine you need it The initial training program will be scheduled by appointment You must begin operating Your franchise business within 30 days of successfully completing the initial training Successful completion will be determined by our trainers and include demonstrating competence in several areas of running a Grout Doctor® franchise business These may include knowledge of basic policies and procedures, demonstrated understanding of the system techniques and methods, tool and equipment maintenance, daily operations and record keeping

The initial training will be approximately 60 hours over 5 to 8 days, with a mix of online training and hands on training at a location designated by us We have various regional training locations for the hands on training We will attempt to schedule your hands on training at a location nearest to you, but this may not be possible due to scheduling conflicts The training is held at least one time per year but is scheduled with each new franchise sale You must attend and successfully complete the training and testing before the opening of your franchised business The initial training will cover all aspects of the franchise operation including sales and marketing, local marketing, customer relations, job estimating, performance of required approved services, approved product information, measuring and restoration, trouble shooting, purchasing, accounting (banking, bookkeeping, profit calculations, financial planning), time management, competition, applicable lien and contractor's laws, and required permits and licenses Your training will be comprised of both online classroom training and hands on training in the field You will be doing physical work at actual customers' locations You will not be compensated for such work

You must also attend and participate in monthly on-going training/support sessions with your assigned franchise support specialist for the first three months you are open We may require you to attend on-going training/support sessions for the duration of your franchise agreement, at our discretion Monthly on-going training/support sessions will be held via phone, web conferencing or teleconference at agreed upon dates and times These meetings should require approximately one hour monthly

We reserve the right to require continuing educational programs We may conduct periodic meetings and seminars for our franchisees, which we may designate as mandatory or non-mandatory You must attend any meetings and seminars we designate as mandatory, not to exceed one meeting or seminar per calendar year where travel is involved At these meetings, new ideas and concepts can be exchanged, discussed and implemented We may charge a fee to cover the costs of such meetings and seminars In addition, you must pay all costs of travel, lodging and subsistence you incur in connection with such attendance

Training will include instruction manuals in the form of the operations manual and may include other handouts developed to facilitate training (Paragraph 7 1 6)

The following table summarizes the 60 hour Grout Doctor® initial training program

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the- Job Training	Location
Introduction to the Grout Doctor	1 0		Online Classroom Training
Review of Franchise Agreement	5		Online Classroom Training
Marketing and Marketing • Review all media • Review Ad and other print materials • Review Competition • Review Personal Marketing Plan	2 0		Online Classroom Training
The Data Center • Overview • Services • Enrollment • Receiving and Returning Calls	75		Online Classroom Training
Customer Service • Overview • Returning Calls –	2 0	3 0	Online Classroom Training and Hands On Training at Customer Locations

Subject	Hours of Classroom Training	Hours of On-the- Job Training	Location
Preparing for the Estimate • Job Site Regulations • Handling Customer Complaints • Customer Service Policy • Customer Surveys • Respecting Customer Property • Job Preparation • Completing the Job • Post Job Clean-up			
Estimating • Overview and Tips • Sample Estimates • Estimate Writing and Presenting • Commercial Estimating • Pricing Guides • Follow up Program		3 5	Online Classroom Training and Hands On Training at Customer Locations
Record Keeping • Overview • Types of Records • Income • Expenses • Profit and Loss • Grout Doctor Franchise Management Software	2 0		Online Classroom Training
Reporting and Compliance • Overview • Royalty and Other Payments • Royalty Report • Recap Report • Sales and Revenue Reports • Lead and Efficacy Report • Insurance • GDGF Policy Review	0 75		Online Classroom Training
Franchisee Support System • Overview • Your Personal Support Team • Maximizing Your Support • Review of Intranet Site,	50		Online Classroom Training

Subject	Hours of Classroom Training	Hours of On-the- Job Training	Location
Product and Wearables ordering site • Review of Print Center			
Expanding Your Business • Overview • Employees • Subcontractors • Commercial Jobs	0 25		Online Classroom Training
Tools and Supplies • Overview • Grout Doctor Products • Purchasing • Storage • Care and Maintenance		2 0	Online Classroom Training and Hands On Training at Retail Stores
Safety • Safety Issues • Review MSDS Sheets	0 75	2 0	Online Classroom Training and Hands On Training at Customer Locations
Products and Material and Tools • Purchasing • Storage • Care and Maintenance		1 5	Online Classroom Training
Identifying Types of Tile • Ceramic • Pavers • Porcelain • Mosaic • Marble and Granite • Other Stone		1 5	Hands On Training at Customer Locations
Re-Grouting • Grout Removal • Grout Mixing including additives • Color Matching • Grout Installation		8 0	Hands On Training at Customer Locations
Re-Caulking • Tubs and Showers • Counter Tops • Sinks • Floor Beads		4 0	Hands on Training at Customer Locations
Grout Repair • Grout Removal • Color Matching • Re-installation of Grout		1 0	Hands on Training at Customer Locations
Wall Repair • Identifying Need		1 5	Hands On Training at Customer Locations

Subject	Hours of Classroom Training	Hours of On-the- Job Training	Location
• Tile and Grout Removal • Wall Repair • Re-installation of Tile and Grout			
Basic Natural Stone/Saltillo • Surface Preparation, Cleaning, Stripping • Sealing		2 0	Hands On Training at Customer Locations
Cleaning/Sealing and Staining • Surface Preparation • Sealing • Color Selection • Staining		4 5	Hands On Training at Customer Locations
Installation of Accessories • Soap Dishes • Towel Bars		1 5	Hands On Training at Customer Locations
Tile Replacement • Tile Removal • Tile Cutting • Surface Preparation • Installation of New or Existing Tile • Color Matching • Reinstallation of Grout		2 0	Hands On Training at Customer Locations
Shower Doors • Removal • Replacement		1 0	Hands On Training at Customer Locations
Using Solid Surface Materials • Surface Preparation • Installation		1 0	Hands On Training at Customer Locations
EnduroShield Application	2 0		Hands On Training at Customer Locations
Final Testing Written and Practical	1 5	5 0	Online Classroom Review
Review of Pre and Post Training Tests Training Review	1 0		
Total Hours Classroom Training	15 00		
Total Hours On-The-Job Training		45 00	
Total Training Hours			60 00

Note 1 The location of the regional training will be determined by the trainer setting up the training schedule Regional training may occur in Utah, Florida, Michigan North Carolina or Arizona On the job training is typically performed at customer/vendor locations Online classroom training will be at your home or another location of your choice

Note 2 Our current regional trainers include JC Sneyd and Daniel Start, whose experience is set forth in Item 2 Other regional trainers may include Wayne Gregson (14 years experience), David Wegener (12 years experience), Larry White (15 years experience) and Remus Baesu (13 years experience) There may be other trainers, and in general, our trainers have experience in the industry either operating a Grout Doctor® business or working in a related business and they will act as a mentor to you after you begin operating your franchise Training assistance related to the office and software will also be provided by Julianna Ahrend (16 years experience) or Carin Bradley (3 years experience)

Note 3 After operating your franchise for at least 3 months, you may choose to offer supplemental services in connection with your franchise We currently offer one supplemental service for you to provide to the public Stone Restoration and Polishing These optional services require additional training and certification from us This training will normally be offered approximately three to six months after the opening of your franchise business We reserve the right to offer this training to certain qualified franchisees sooner You are not required to offer these services, however, you may not offer the services if you have not been certified by us You must pay an additional $500 per person training fee for these sessions (see Item 6) Training sessions will be scheduled by appointment If you hire a manager to run your franchise business, the manager must be trained by us Each manager hired after the initial training will be required to be trained by us and you must pay us the current training fee and the cost of travel, lodging and meals for the manager during training These supplemental services may require you to purchase additional equipment and supplies Training in the supplemental services will be at an approved location, currently Arizona You must successfully complete the training and testing before offering the supplemental services The training will cover theory, estimating, hands on experience, equipment, supplies and ordering You may be doing physical work at actual customers' locations You will not be compensated for such work

Except as listed above, we do not need to provide any assistance to you, however, this provision does not prevent us from providing additional information or assistance

We may approve exceptions to or changes in the uniform standards for you or any other franchise that we believe are necessary or desirable based on particular circumstances You have no right to object to these variances or to obtain the same variance yourself We may deny any or all of the above services to you while you are in breach of the franchise agreement or in default in the discharge of any of your obligations to us

ITEM 12

TERRITORY

You will be granted an exclusive territory in which you are authorized to offer and perform The Grout Doctor® services The specific size of your territory is negotiable between you and us based upon the population density, the number of households in the territory, whether your territory is in a metropolitan or rural area and other comparable factors Your territory will be designated by a contiguous zip code list and will generally have a base of between 150,000 and 200,000 owner-occupied households You will operate from one office location and we recommend that your Grout Doctor® 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 Grout Doctor® location We must review and approve, in writing, your selection of your Grout Doctor® location if it is other than your home Before relocating your Grout Doctor® location at any time during the term of your agreement with Us, you must first notify us and we must give our prior written approval, and pay a relocation fee of $1,000 The basis of our approval for you to relocate will be similar to our approval of your initial location

You do not receive the right or option to acquire additional franchises

We may approve exceptions to or changes in the uniform standards for you or any other franchise that we believe are necessary or desirable based on particular circumstances You have no right to claim or object to such variance yourself

We (or our affiliates) retain the right, in our sole discretion

1) To ourselves operate, or to grant other persons the right to operate, Grout Doctor® businesses under our trademarks, trade names, logos, or other commercial symbols at such locations outside your territory, and on such terms and conditions, as we deem appropriate, and

2) As long as you remain in compliance with your franchise agreement, we will not operate locations or grant franchises for a Grout Doctor® business within your territory This means that we will not establish another franchise or affiliate unit using the trademark within your territory However, other franchisees may engage in indirect marketing in areas that may include your territory and may accept referrals and unsolicited inquiries from customers within your territory, just as you may do outside of your territory However, we either personally or through agents and representatives reserve the right to sell, market, and distribute products in your territory and elsewhere using the trademark through other channels of distribution including by direct mail, telemarketing, catalogs, infomercials, the Internet, general media marketing, retail stores and national business accounts both within and without your territory without compensation to you except as set forth below

You must devote your marketing to customers solely in your territory, although you may accept business resulting from referrals or unsolicited inquiries from customers outside your territory You may engage in Indirect Marketing in an area that includes but extends beyond your territory under certain conditions as stated in Item 2, above You may not solicit customers from outside your territory without our prior written approval If you do solicit customers outside your territory, without our prior approval, 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

You may provide services only in your territory, except you may service customers in other areas under certain conditions, including referrals from customers, acquaintances and/or from your family and friends In the case of cooperative marketing, only participants in the cooperative marketing will receive leads or referrals obtained through that source If a local group marketing association is established, the association will establish rules for lead or referral distribution Other conditions that may exist will be determined on a customer-by-customer basis by us There may be other franchisees or Grout Doctor® contractors who are located adjacent to or in close proximity to your territory Such other franchisees or contractors may service customers within your territory under certain conditions, including referrals from customers and/or from their family and friends

We have a line of Grout Doctor® products which are marketed and sold to the public through our website You must actively market and sell the products to your customers Every time a customer uses a code that represents you or a customer purchases the products from your territory without a code, you will receive between 20 – 40% of the sale We keep track of the various purchases and send you your portion of the sale and an accounting of the products sold each quarter

You may not sell Grout Doctor® products from a website or social media site created by you or any third party website or other method using the internet except through the Grout Doctor® website unless you have received prior approval in writing from us You may purchase these items at a discount and offer them for sale to the public except you may not sell them through the Internet You will be responsible for any sales tax that may become due by selling these products directly to the public

Continuation of your territorial rights does not depend on you achieving any specific level of sales volume, market penetration or other contingency Your territory may not be altered except by mutual agreement

Neither we nor an affiliate, operates, franchises or has plans to operate or franchise a business that sells or will sell goods or services similar to those sold in your franchise under a different trademark, but we reserve the right to do so in the future

ITEM 13

TRADEMARKS

We grant you the non-exclusive right to use certain of our trademarks in the operation of your franchise business You may also use other current or future trademarks in the operation of your franchise business as we designate You will not at any time acquire any rights in the trademark By trademark we mean our trade names, trademarks, commercial symbols, service marks and logos The following trademarks listed below are registered with the United States Patent and Trademark Office The principal trademarks to be employed in your business are as follows

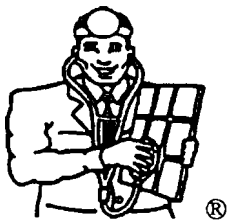
Service mark, "THE GROUT DOCTOR®," registered on the Principal Register with the United States Patent and Trademark Office on October 17, 2000, Registration Number 2,395,447 All required affidavits and renewals have been filed

Logo design, depicting a physician with a stethoscope holding a tile in his hands, registered on the Principal Register with the United States Patent and Trademark Office on January 1, 2002, Registration Number 2,525,210 All required affidavits and renewals have been filed

Service Mark "Pretty Tile, Ugly Grout?" application filed on the Principal Register with the United States Patent and Trademark Office on March 24, 2014, Serial Number 86/229842, as a word mark

Service Mark, WE CURE SICK GROUT® registered on the Principal Register with the United States Patent and Trademark Office on February 10, 2009, Registration Number 3,572,338 All required affidavits and renewals have been filed

THE GROUT DOCTOR®



There are no presently effective determinations of the patent and trademark office, trademark trial and appeal board, the trademark administrator of this state or any court, nor are there any pending infringement, opposition or cancellation proceedings or any pending material litigation involving the trademarks which is relevant to their use in this or any other state There are no agreements currently in effect which significantly limit our rights to use or license the use of the trademarks

There are no superior rights in or infringing uses of the trademarks actually known to us which could materially affect your use of such trademarks, service marks, trade names, logotypes or other commercial symbols in your territory

You must use all trademarks in strict compliance with our policies and procedures manual and the Grout Doctor® system You must modify or discontinue the use of a trademark at your cost, if we modify or discontinue it You are prohibited from using any trademark as part of your corporate name or trade name You cannot make application for registration or other protection of Grout Doctor® names or derivatives You may only use the trademarks with the letters "TM" or "SM" or "®" as appropriate You are prohibited from using any trademark in the sale of any unauthorized product or service or in any manner not expressly authorized in writing by us You are required to adhere fully and strictly to all security procedures required by us for maintaining the secrecy of proprietary information

We have the right to require you to use new trademarks and to discontinue or modify your use of any name or commercial symbol If it becomes advisable at any time, in our sole discretion, for us and/or you to modify or

discontinue use of any trademarks and/or use one or more additional or substitute trademarks or service marks, you must do so within a reasonable time after notice by us In the event we require you to discontinue the use of any name or commercial symbol and to use a substitute mark or commercial symbol, you shall bear the cost of complying with this obligation

Under the franchise agreement, you acknowledge that your right to use the trademarks is derived solely from the franchise agreement and is limited to the conduct of your business pursuant to and in compliance with the franchise agreement and all applicable standards and operating procedures prescribed by us periodically Any unauthorized use of the trademarks by you constitutes an infringement of our rights in and to the trademarks You agree that your use of the trademarks and any goodwill established belongs to us, and you acknowledge that the franchise agreement does not confer any goodwill or other interests in the trademarks upon you You may not, at any time during the franchise agreement or after its termination or expiration, contest the validity of ownership of any of the trademarks or assist any others in contesting the validity or ownership of any of the trademarks

You agree not to register the trademarks on the Internet or any other computer on-line service, and you must obtain our written approval before your use of the trademarks on the Internet or on-line service You must display the trademarks prominently and in the manner prescribed by us on signs, forms, and other materials and articles Further, you must give such notices of trademark or service mark ownership or registration as we specify and to obtain a fictitious or assumed name registration as may be required under applicable law You may not use the name "The Grout Doctor®" or a derivative in your corporate or other formal name

You are obligated to immediately notify us when you learn about an infringement of or challenge to your use of our trademark We will have the discretion to take the action we deem appropriate We have the right to control any administrative proceedings or litigation involving the trademarks We are not obligated to protect any rights which you have to use the trademarks, or to protect you against claims of infringement or unfair competition You are given the right to protect yourself, at your sole cost, from any of these claims if we elect not to prosecute the claim of infringement or unfair competition, but with strict coordination and oversight by us and you may not act contrary to our rights in the trademarks

You may not contest, directly or indirectly, our right and interest in our names or trademarks, trade secrets, methods, and procedures which are part of our business and agree to execute documents and assurances necessary to effectuate these provisions Any goodwill associated with the trademarks or system belongs exclusively to us We do not know of any infringing uses that could materially affect your use of the trademark

We agree to indemnify you against and to reimburse you for all direct, but not consequential (including, but not limited to, loss of revenue and/or profits), damages for which you are held liable in any proceedings arising out of the use of any trademark pursuant to and in compliance with the franchise agreement, and for all costs reasonably incurred by you in the defense of any claim brought against it or in any proceeding in which it is named as a party, provided that you have timely notified us of any claim or proceeding and have otherwise complied with the franchise agreement

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent and we do not have any pending patent applications with the United States Patent and Trademark Office

We have not registered the operations manual with the United States Copyright Office, but we claim copyright in the operations manual and our publication, "How to Get the Gold Out of Grout " We claim protected trade secrets and copyrights in our franchise system

You can use the proprietary information in our operations manual as set forth in the franchise agreement We have not registered the operations manual with the United States Copyright Office, but we claim a copyright and consider the information proprietary The manual may not be copied The operations manual must be returned to us upon termination of your franchise As mentioned above, portions of the system are trade secrets or confidential and proprietary to us You must also promptly tell us when you learn about unauthorized use of this manual and any other proprietary information We are not obligated to take any action but will respond to this information as we believe

appropriate If applicable, we have the right to control any administrative proceedings or litigation We are not required to defend or indemnify you for any damages from a proceeding based on copyright You must modify or discontinue the use of any copyright, at your cost, if we modify or discontinue it, in our reasonable discretion

With regards to our proprietary information, the franchise agreement also provides that you will (a) strictly follow all confidential security procedures required by us, (b) disclose this information to your employees or your contractors only as needed to market our products and provide the Grout Doctor® services, (c) not use this information in any other business, (d) exercise the highest degree of diligence to maintain this information as confidential, and (e) promptly notify us if you learn of any unauthorized use of our trade name, trade secrets or proprietary information Your use of our proprietary information is limited to the uses required or allowed by us

We claim other copyrights in sales literature, and marketing materials, which we, or our franchisees, develop for our use and for use by our franchisees Your use of these materials will be limited to the uses designated by us

There are no agreements currently in effect, which significantly limit our rights to use or license the copyrighted materials in any manner material to the Grout Doctor® franchise There are no infringing uses actually known to us, which could materially affect your use of the copyrighted materials in any state where the Grout Doctor® franchise is to be located We are not obligated under any agreement to protect or defend the copyrights

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must personally participate in the operation of the franchise business, but need not manage the business full time We require direct supervision by you or your designated manager who must be certified and trained by us to manage The Grout Doctor® business We recommend you personally supervise You, your manager, and employees must keep free from competing enterprises You are not required to work a certain or minimum number of hours, however, you must work sufficient hours to operate your franchise business at maximum capacity and efficiency

You must attend the initial training program unless you have been previously trained by us Your manager must attend the training program and be certified as mentioned above Any future manager must also be trained by us as described in Item 11 before they can manage your franchise business

You must understand clearly that the risks, financial and otherwise, which are inherent with the beginning of any new business, are yours alone We, as a matter of policy, will not assist you in any decision making process which may affect your business operations The success or failure of your franchise business is for the most part dependent on your efforts Purchase of this franchise should not be considered by anyone who is unfamiliar with standard business practices or is unwilling to accept the responsibilities associated with running a small business

Neither you nor your management employees can have an interest in or business relationship with any competing grout and tile maintenance and repair business Your managers do not need to have an ownership interest in your franchise business You and your principal employees, however, will be required to sign a standard confidentiality agreement to protect and keep confidential our trade secrets and confidential information described in Item 14 and to conform with the covenants not to compete described in Item 17 (See Exhibit A-3 and A-4 to the Franchise Agreement)

If you, as a franchisee, consist of two or more individuals, each individual shall be jointly and severally liable We reserve the right to require franchises owned by more than one individual franchisee to form an entity to act as franchisee with each individual personally guaranteeing the performance of the entity Any individual who owns a 5% or greater interest in the franchise business must personally guarantee the performance of all your obligations under the franchise agreement and agree to be personally bound by, and liable for, the breach of every provision of the franchise agreement (Franchise Agreement paragraph 6 4 1)

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may provide only those products and services specified and approved by us in writing No service or product or other item may be added to or included or performed by your business unless it is first approved by us in writing You must offer all services and products required by us We reserve the right to add, modify, or delete products, items and services that you will be required to offer There are no limits on our right to do so You must strictly follow our policies, procedures, specifications, methods and techniques concerning all of The Grout Doctor® services and products (See Item 8)

There are no limits on the customers you may service, except as described in Item 12, under territorial restrictions

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

	PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a	Length of the franchise term	Section 2 1	7 years Not affected by any other agreements
b	Renewal or extension of the term	Section 2 2	If you are in good standing, you can enter into a new successor franchise agreement for two additional terms of 7 years
c	Requirements for franchisee to renew or extend	Section 2 2	Not be in default, pay successor franchise fee of $500, sign a new franchise agreement which may have materially different terms and conditions than your previous agreement
d	Termination by franchisee	Section 11 4	You may terminate for good cause
e	Termination by franchisor without cause	Not Applicable	We must have cause to terminate the franchise agreement
f	Termination by franchisor with cause	Section 11 1	We can terminate only if you are in default of any agreement with us
g	"Cause" defined – curable defaults	Paragraphs 11 1 A-N	You have 5 days to cure monetary defaults, and 5 to 30 days to cure all other defaults listed in the franchise agreement
h	"Cause" defined - non-curable defaults	Paragraphs 11 1 O-BB	Failure to open franchised business within 90 days of signing franchise agreement, failure to complete initial training, abandonment, conviction of felony, creation of a threat to public health or safety, insolvency or bankruptcy, trademark misuse and repeated defaults (even if cured) or other defaults listed in the franchise agreement
i	Franchisee's obligations on	Section 12 1	Pay outstanding amounts, complete de-identification, return confidential information, turn over telephone

	PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
	termination/ non-renewal		number and customer list, covenant not to compete, continuing obligations
j	Assignment of contract by franchisor	Section 14 1	No restrictions on our right to assign including merging with, acquisition by, or sale to a competing business
k	"Transfer" by franchisee – defined	Section 14 2	Includes transfer of any interest in franchise agreement, assets or ownership change in Franchisee
l	Franchisor approval of transfer by franchisee	Section 14 2	Franchise agreement we have the right to approve all transfers, but will not unreasonably withhold approval
m	Conditions for franchisor approval of transfer	Sections 14 3-14 8	You are not in default, transferee qualifies, all obligations assumed by transferee, all amounts due us are paid, transferee completes training, transfer fee paid, transferee signs, at our sole discretion, either (a) our assignment and assumption agreement or (b) our then-current franchise agreement, which may contain materially different terms than your franchise agreement, and a release is signed by you (see state specific addenda)
n	Franchisor's right of first refusal to acquire franchisee's business	Section 14 9	We can match any offer for your franchise business within (60) days of written notice to us
o	Franchisor's option to purchase franchisee's business	Section 13 1	Upon termination, we can buy your assets at fair market value
p	Death or disability of franchisee	Section 14 10	We may operate your franchise business until a personal representative is approved and a new manager is trained or franchise must be assigned to an approved buyer within 160 days of death or disability You must reimburse us our costs, plus 10% of gross sales, if we elect to manage your business
q	Non-competition covenants during the term of the franchise	Section 16 1	No involvement in competing business anywhere
r	Non-competition covenants after the franchise is terminated or expires	Section 16 3-16 4	No competing business for 2 years within your former territory or within 50 miles of your territory or within 50 miles of any other The Grout Doctor® territory (Including after assignment of franchise) If you compete within this time period the non-competition period will be extended for the period of your competition plus 6 months
s	Modification of the agreement	Section 20 11	All modifications to the franchise agreement must be in writing, but operations manual, and standards and specifications subject to change by us
t	Integration/ merger clause	Section 20 10	Only the terms of franchise agreement are binding (subject to state law) All representations or promises outside of the disclosure document and franchise agreement may not be enforceable Our integration/merger clause does not disclaim the

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		representations in this franchise disclosure document
u Dispute resolution by arbitration or mediation	Section 17 2	Except for certain claims, for all disputes there must be a face to face meeting, mediation and arbitration (see state specific addenda)
v Choice of forum	Sections 17 2 and 19 2	Arbitration and mediation must be in Salt Lake County, Utah (subject to state law)
W Choice of law	Sections 19 1 and 19 5	Utah law, the Federal Arbitration Act, and the United States Trademark Act apply (may be subject to additional state law requirements)

The franchise agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C A Sec 101 et seq)

Some states may have statutes or court decisions that may supersede the franchise agreement in your relationship with the franchisor, including the areas of termination and renewal of your franchise

ITEM 18

PUBLIC FIGURES

We do not use any public figures to promote our franchise

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

Average Gross Sales of Franchises in 2016

This representation is an historic performance representation about subsets of our existing franchises This analysis sets forth average monthly and annual gross sales for 55 franchised Grout Doctor® units located in the United States for the year ended December 31, 2016, based on sales as reported by the individual standard and non-standard franchises as defined below 54 of the 55 were standard franchises operating for more than two years 1 of the 55 was a non-standard franchise operating for more than two years There were 15 Grout Doctor® units that were open for less than two years The average monthly and annual gross sales provided below is solely for the 55 units that were open in the United States and in continuous operation during the two year period prior to December 31, 2016 based on the numbers they reported based on the numbers they reported to us for determining royalty payments due to us The basis of accounting used by the franchisees is determined by the individual franchisee, but generally the franchisees use cash basis accounting You must estimate your own costs and expenses including, but not limited to, advertising, insurance, royalties, materials, vehicle maintenance, gas, wages, payroll taxes and professional fees

Characteristics of the included franchises may differ substantially from your franchise depending on your experience, competition in your area, length of time the included franchises have operated as compared to your franchise, and the services provided by you as compared to the included franchises Because this franchise is part of the service

industry, your results are dependent upon your efforts You are strongly urged to make an independent survey of the economic and market conditions and the price structure adopted by competing businesses in your area and the amount of revenue and expenses generated by those businesses and to consult your accountant, attorney or financial advisor Your individual financial results may differ substantially from the results stated in this financial performance representation

STANDARD FRANCHISES[1] [3]

AVERAGE GROSS SALES AS REPORTED FROM THE 54 STANDARD GROUT DOCTOR® FRANCHISES OPERATING FROM JANUARY 2016 THROUGH DECEMBER 2016 AND WERE OPEN FOR TWO YEARS OR MORE WAS $12,096 per month or $145,152 per year 20 of 54 or 37 04% of our reporting standard franchises attained or surpassed this average

Standard Average Monthly Sales Level	Number	Percent
$10,001 or above	27	50 00%
$7,501 to $10,000	8	14 82%
$5,001 to $7500	13	24 07%
$5,000 or below	6	11 11%

1 A Standard Franchise is defined by us as meeting all of the following criteria

a The geographic location is such that a target of 150,000 owner occupied households is reasonably available

b The demographics of the location meet our usual criteria

c Franchisee operates their Grout Doctor® Franchise as a full-time business

NON-STANDARD FRANCHISES[2] [3]

AVERAGE GROSS MONTHLY SALES AS REPORTED FROM THE 1 NON-STANDARD GROUT DOCTOR® FRANCHISE OPERATING FROM JANUARY 2016 THROUGH DECEMBER 2016 AND OPERATED TWO YEARS OR LONGER WAS $2,094 per month or $25,128 per year 1 of 1 or 100 00% of our reporting non-standard franchises attained or surpassed this average

Non-Standard Average Monthly Sales Level		
$2,501 and above	0	0 00%
$2,500 or below	1	100 00%

2 A Non-Standard Franchise is defined by us as meeting at least one of the following criteria

a The geographic location is such that a target of 150,000 owner occupied households is not reasonably available

b The demographics of the location do not meet our usual criteria but there is other evidence that the location is viable

c The franchisee has declared their intent to operate their Grout Doctor® Franchise as a part-time business

3 The average gross sales figures included in the above charts and additional statistics below are based on sales reports submitted to us by 54 Standard Franchisees open more than two years and 1 Non Standard Franchisee open more than two years The figures in the sales reports have not been audited and we have not undertaken to otherwise independently verify the accuracy of such information

STANDARD[1] AND NON-STANDARD[2] FRANCHISES

The following table shows the number of jobs completed by Grout Doctors and the average job prices between January 1, 2016 and December 31, 2016

	Number of Jobs	Average Job Price	# of Grout Doctors	% Met or Exceeding average
Standard	15,141	$517 67	54	38 89%
Non Standard	42	$598 21	1	100%

The information above was obtained from our Grout Doctor® Franchise Management Software as entered by each individual Grout Doctor® franchisee Every Grout Doctor® franchisee is required to enter this information in the Franchise Management Software system This represents the average of 54 Standard Franchisees and 1 Non-Standard Franchisees operating for two years or more as of December 31, 2016

THE AVERAGE JOB PRICE FOR THE STANDARD 54 FRANCHISEES OPERATING 2 YEARS OR LONGER WAS $517 67 21 of the 54 or 38 89% of reporting standard franchisees attained or surpassed the stated result

THE AVERAGE JOB PRICE FOR THE 1 NON-STANDARD FRANCHISE OPERATING WAS $598 21 1 of the 1 or 100% of reporting non-standard franchisees attained or surpassed the stated results

The annual average number of jobs completed by the 54 Standard Grout Doctor® Franchisees was 280 Of the 54 reporting standard franchisees operating two years or longer, 22 of the 54 or 40 74% of standard franchisees attained or surpassed the stated results The annual average number of jobs completed by the 1 non-standard franchisee operating was 42 Of the 1 reporting non-standard franchisee, 1 of the 1 or 100% of nonstandard franchisees attained or surpassed the stated results

Other than the preceding financial performance representation Grout Doctor Global Franchise Corp does not make any financial performance representations We also do not authorize our employees or representations to make any such representations either orally or in writing However, if you are purchasing an existing outlet, we may provide you with 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 Regina Fischer at 2150 South 1300 East, Suite 500, Salt Lake City Utah 84106, 877-476-8800, the Federal Trade Commission and the appropriate state regulatory agency

We have written substantiation, in our possession, to support the financial performance representation Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request

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ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2014 TO 2016[1]

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2014	70	70	0
	2015	70	65	-5
	2016	65	65	0
Company or Affiliate-Owned	2014	3	0	-3
	2015	0	6	+6
	2016	6	5	-1
Total Outlets	2014	73	70	-3
	2015	70	71	+1
	2016	71	70	-1

Note 1 All numbers are as of December 31, 2016 We began franchising in April 2001

Table No 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR)
FOR YEARS 2014 TO 2016

STATE	YEAR	NUMBER OF TRANSFERS
Alaska	2014	0
	2015	0
	2016	0
Arizona	2014	1
	2015	0
	2016	0
California	2014	0
	2015	0
	2016	0
Colorado	2014	0
	2015	0
	2016	0
Connecticut	2014	0
	2015	0
	2016	0
Florida	2014	0
	2015	0
	2016	2
Georgia	2014	0
	2015	1
	2016	0
Hawaii	2014	0
	2015	0
	2016	0

Table No 2 TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2014 TO 2016		
STATE	YEAR	NUMBER OF TRANSFERS
Idaho	2014	0
	2015	0
	2016	0
Illinois	2014	0
	2015	0
	2016	0
Indiana	2014	0
	2015	0
	2016	0
Iowa	2014	0
	2015	0
	2016	0
Kentucky	2014	0
	2015	0
	2016	0
Massachusetts	2014	0
	2015	0
	2016	0
Michigan	2014	0
	2015	0
	2016	0
Minnesota	2014	0
	2015	0
	2016	0
Missouri	2014	0
	2015	0
	2016	0
Nebraska	2014	0
	2015	0
	2016	0
Nevada	2014	0
	2015	0
	2016	0
New Mexico	2014	0
	2015	0
	2016	0
New York	2014	0
	2015	0
	2016	0
North Carolina	2014	0
	2015	0
	2016	0
Ohio	2014	0
	2015	0
	2016	0
Oregon	2014	0
	2015	0

Table No 2 TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2014 TO 2016		
STATE	YEAR	NUMBER OF TRANSFERS
	2016	0
South Carolina	2014	0
	2015	0
	2016	0
Tennessee	2014	0
	2015	0
	2016	0
Texas	2014	0
	2015	4
	2016	0
Utah	2014	2
	2015	0
	2016	0
Virginia	2014	0
	2015	0
	2016	0
Washington	2014	0
	2015	0
	2016	0
Wisconsin	2014	0
	2015	0
	2016	0
Total	2014	3
	2015	5
	2016	2

Table No 3 STATUS OF FRANCHISED OUTLETS FOR YEARS 2014 TO 2016								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Alaska	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Arizona	2014	6	0	1	0	0	0	5
	2015	5	0	0	0	0	0	5
	2016	5	0	0	0	0	0	5
California	2014	4	0	0	0	0	0	4
	2015	4	0	0	0	0	0	4
	2016	4	0	0	0	0	1	3
Colorado	2014	4	0	0	0	0	0	4
	2015	4	0	0	0	0	0	4
	2016	4	0	0	0	0	0	4
Connecticut	2014	1	0	1	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0

Table No 3
STATUS OF FRANCHISED OUTLETS
FOR YEARS 2014 TO 2016

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Florida	2014	9	2	0	0	0	0	11
	2015	11	0	0	0	0	2	9
	2016	9	1	0	0	0	2	8
Georgia	2014	1	1	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Hawaii	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Idaho	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	1	0
	2016	0	0	0	0	0	0	0
Illinois	2014	5	0	0	0	0	0	5
	2015	5	0	0	0	0	0	5
	2016	5	0	0	0	0	0	5
Indiana	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Kentucky	2014	1	0	0	0	0	0	1
	2014	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Massachusetts	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Michigan	2014	3	0	0	0	0	0	3
	2015	3	0	0	0	0	0	3
	2016	3	0	0	0	0	0	3
Minnesota	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Missouri	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	1	0	0	0	1
Nebraska	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
New Mexico	2014	1	0	1	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
New York	2014	2	0	0	0	0	0	2
	2015	2	0	1	0	0	0	1
	2016	1	0	0	0	0	0	1
N Carolina	2014	4	0	2	0	0	0	2
	2015	2	0	1	0	0	0	1
	2016	1	1	0	0	0	0	2
Ohio	2014	4	0	0	0	0	0	4
	2015	4	0	0	0	0	0	4
	2016	4	0	0	0	0	0	4

Table No 3 STATUS OF FRANCHISED OUTLETS FOR YEARS 2014 TO 2016								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Oregon	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
S Carolina	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Tennessee	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Texas	2014	8	0	0	0	0	0	8
	2015	8	1	0	0	0	0	9
	2016	9	0	0	0	0	0	9
Utah	2014	0	2	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Virginia	2014	2	0	0	0	0	0	2
	2015	2	1	0	0	0	2	1
	2016	1	1	0	0	0	0	2
Washington	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Wisconsin	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Total	2014	70	5	5	0	0	0	70
	2015	70	2	2	0	0	5	65
	2016	65	4	1	0	0	3	65

Table No 5 PROJECTED OPENINGS AS OF DECEMBER 31, 2016			
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Alaska	0	0	0
Arizona	0	0	0
California	0	0	0
Colorado	0	0	0
Connecticut	0	0	0

Table No 5 PROJECTED OPENINGS AS OF DECEMBER 31, 2016			
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Florida	0	2	0
Georgia	0	0	0
Idaho	0	1	0
Illinois	0	0	0
Indiana	0	0	0
Iowa	0	0	0
Kentucky	0	0	0
Massachusetts	0	1	0
Michigan	0	0	0
Minnesota	0	0	0
Missouri	0	1	0
Nebraska	0	0	0
Nevada	0	1	0
New Mexico	0	1	0
New York	0	0	0
North Carolina	0	0	0
Ohio	0	0	0
Oklahoma	1	0	0
South Carolina	0	0	0
Tennessee	0	1	0
Texas	0	1	0
Utah	0	0	0
Virginia	0	1	0
Washington	0	0	0
Wisconsin	0	1	0

Table No 5 PROJECTED OPENINGS AS OF DECEMBER 31, 2016			
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Total	1	11	0

The names of all current franchisees and the addresses and telephone number of all their units are set forth on exhibit "G-1"
The addresses and telephone numbers of all licensees are set forth on exhibit "G-2"
The addresses and telephone numbers of all transferred franchises are set forth on exhibit "G-4"
The addresses and telephone number of all terminated franchises are set forth on exhibit "G-3"

Other than as set forth above, no franchise has been terminated canceled, not renewed or otherwise ceased to do business 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 system

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Grout Doctor® You may wish to speak with current and former franchisees, but be aware that not all franchisees will be able to communicate with you

To our knowledge there are no trademark specific franchisee organizations associated with our franchise system required to be disclosed in this item

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit "B" are our audited Balance Sheet dated December 31, 2015, 2014, 2013 and related Statement of Operations, Cash Flows and Stockholders' Equity for January 1, 2015, 2014 and 2013 through December 31, 2015, 2014 and 2013 Our fiscal year ends on December 31 of each year

ITEM 22

CONTRACTS

We have attached the following As Exhibit "A", the Franchise Agreement and its exhibits, as Exhibit "A-3" to the Franchise Agreement, the Principal Confidentiality and Non-Competition Agreements, as Exhibit "A-7" to the Franchise Agreement, ACH Agreement, as Exhibit "E", the Release Agreement, and as Exhibit "I", the GDD Enrollment Agreement All other contracts and agreements are to be entered into with persons of your choice and therefore cannot be attached

ITEM 23

RECEIPTS

The last 2 pages of this disclosure document are a receipt, in duplicate, which is an acknowledgment that you have received this disclosure document This receipt should be returned to us Please sign and date the receipt and return one copy to us and keep the other for your records You may return the signed and dated receipt either mailing it to us at 2150 S 1300 E , Suite 500, Salt Lake City, Utah 84106, or by faxing it to us at (877) 615-2173

EXHIBIT A
TO DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

By and Between

Grout Doctor Global Franchise Corp

and

_____

(Franchisee)

THE GROUT DOCTOR®
FRANCHISE AGREEMENT

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Exhibits

A-1	Territory
A-2	Company Representations and Warranties
A-3	Principal Confidentiality and Non-Competition Agreement
A-4	Employee Confidentiality and Non-Competition Agreement
A-5	Approved Grout Doctor Services
A-6	New Franchisee Start-Up Package
A-7	ACH Agreement
A-8	State Specific Addenda to the Franchise Agreement

Grout Doctor®
FRANCHISE AGREEMENT
(_____)

THIS FRANCHISE AGREEMENT ("Agreement") is entered into and made effective as of the _____ day of _____, 20__, by and between Grout Doctor Global Franchise Corp , a Nevada corporation (hereinafter referred as "Franchisor" and at times as "We," "Us" or "Our" as further defined in Article XXI below) and _____, LLC/Inc (hereinafter referred to individually and collectively as "Franchisee" and at times as "You" or "Your" as further defined in Article XXI below)

WHEREAS, We have developed a system for the operation of a mobile service franchise business known as The Grout Doctor®, offering to the public residential and commercial grout, tile and stone cleaning, sealing, re-coloring, repair, re-grouting and re-caulking and related repair and maintenance services and may also include and other supplemental services, and other related products and services as more fully set forth on Exhibit "A-5" attached hereto and by reference made a part hereof (hereinafter "Franchise Business" or "Grout Doctor® Business") The system Includes, the Franchise Business, specific Marks, standards, Manuals, operating procedures, marketing concepts, cooperative buying, business format, specifications for certain equipment, the sale of products, and supply items and the use of confidential information (herein at times the "System" and at times the "Grout Doctor® System"), and

WHEREAS, We will provide You with Our confidential Manuals and other materials as created by Us, and

WHEREAS, You are desirous of entering into an agreement with Us so as to be able to obtain the rights to operate a Franchise Business using the System developed by Us, and

WHEREAS, You declare You have had a copy of the Grout Doctor® Franchise Disclosure Document for at least 14 calendar days or 10 business days, whichever is applicable, prior to signing this Agreement or making any payment to Us, and

WHEREAS, You declare that You have fully investigated and familiarized Yourself with the essential aspects and purposes of the Franchise Business and System and have been advised by counsel chosen by You of the terms and conditions of this Agreement and agree that Your consistent and uniform presentation of the System and Franchise Business are essential, and

WHEREAS, Article XXI contains certain definitions which apply to this Agreement

NOW, THEREFORE, in consideration of the mutual covenants, agreements, recitals, obligations, terms and conditions herein contained, and the acts to be performed by the respective parties hereto, the parties hereto agree as follows

ARTICLE I
AWARD OF FRANCHISE

1 1 Award of Franchise and Territory We hereby grant to You, and You accept, subject to the terms, conditions and obligations herein, the non-exclusive, non-transferrable, non-sublicenseable personal right to establish and conduct a Franchise Business as a Franchisee and the right to use the System and the Marks only as specifically set forth herein This right is granted for use only within Your territory as set forth on Exhibit "A-1" attached hereto and by reference made a part hereof (hereinafter referred to as the "Territory") You agree to operate Your Franchise Business out of a specific office location (which may be your home) within the Territory ("Office Location") approved by Us in strict compliance with the terms and conditions of this Franchise Agreement and the Manuals Your territorial rights are exactly, and only, as expressly set forth in this Agreement

1 1 1 Except as set forth in Section 1 3 below, We will not establish or operate a traditional company-owned outlet, or grant to any person or entity a franchise within the Territory using the same or similar System as that licensed by this Agreement

1 1 2 Your Territory will consist of approximately _____ owner occupied households

1 1 3 You may provide services to customers solely in your Territory, although you may accept business resulting from referrals or unsolicited inquiries from customers outside your Territory in accordance with the guidelines set forth in the Operations Manual which may be revised from time to time by Us You will provide services in Your Territory, but may service customers in other areas under certain conditions including referrals from customers, acquaintances and/or from Your family and friends as more fully set forth in Our Operations Manual You may engage in Indirect Marketing in an area that includes but extends beyond your Territory under certain conditions You may not solicit customers from outside your Territory without our prior written approval If you do solicit customers outside your 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 If a group marketing association is established, the association will establish rules for lead or referral distribution Other conditions that may exist will be determined on a customer-by-customer basis by us

1 1 4 If You want to relocate Your Franchise Business or Territory, You must first obtain Our approval in writing and pay Us a relocation fee of $1,000 We will designate Your new Territory and You will be required to pay for each additional household in the new Territory at the discounted rate of $0 04

1 1 5 If approved by Us, You may purchase additional areas or franchises at a discounted rate of $0 04 for each additional owner-occupied household in the new or amended Territory You will not receive a new startup kit or additional training at the time of such purchase, but we may require you to attend additional training at Our then current rate as set forth in the Operations Manual

1 2 Scope of Franchise Operations You must at all times comply with Your obligations hereunder and must continuously use Your best efforts to promote and operate Your Franchise Business You must utilize the Marks and System to operate all aspects of Your Franchise Business in

accordance with the methods and systems developed and prescribed from time to time by Us, all of which are a part of the System

1 3 Franchisor Reservation of Rights All rights not specifically granted to You in this Agreement are reserved to Us Nothing contained herein will prevent Us from granting the right to establish or operate, or Us establishing, owning and operating a Franchise Business or similar operation outside of the Territory Furthermore, We and Our affiliates expressly reserve the right to sell, market and distribute all products in Your Territory and elsewhere using other marketing strategies and distribution channels Including, but not limited to, catalog sales, direct sales, and the sales to and through stores, grocery stores, convenience stores, wholesale outlets, the Internet, and/or co-branding with others without compensation to You Except as expressly authorized in Our Operations Manual, You may not sell Our products and/or services using such reserved marketing strategies and distribution channels without Our prior written permission You expressly acknowledge and agree that this license is non-exclusive, and that We retain among other rights, the right, in Our sole discretion 1) to grant other franchises or licenses for Our trademarks in addition to those already granted to existing franchisees, 2) to develop and establish other franchises or licensed systems for the same or similar products or services utilizing the same or similar marks, or any other marks and to grant franchises or licenses thereto, or 3) to use the licensed Marks in connection with the manufacture and sale of products at wholesale and at retail

1 4 Entity Franchisee If You are operating as a partnership, corporation, or limited liability company, You must designate the principal contact in connection with Your Franchise Business This principal contact must be a general partner, manager or controlling shareholder, and must be listed on Exhibit "A-2 " Such representative will have the authority to speak for and bind You in all matters pertaining to this Agreement, and Your Franchise Business You agree not to use Our Marks name nor any other name similar thereto in the name of any corporation, partnership or other entity owned or formed by You, whether to own or operate Your Franchise Business or otherwise However, You are required to file a DBA as set forth in Section 3 9 below

1 5 Restriction of Rights The rights and privileges granted to You under this Agreement are personal in nature This Agreement is granted solely for the operation of a Franchise Business within the Territory and will not extend to the operation of a Franchise Business or any other use of the System outside Your Territory or in any other manner, except as may be allowed by this Agreement You acknowledge that We have the sole rights in and to the System and that Your rights to use any of the System is granted by Us solely pursuant to the terms of this Agreement

1 6 Franchisor Mergers & Acquisitions You agree that the System needs to have the flexibility to combine with other businesses that may be in the same or similar industry or otherwise Such combinations have the potential to work to the benefit of all members of the System as a whole Therefore, notwithstanding anything to the contrary in this Agreement or otherwise, You agree that We can acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses whether competitive or not, with retail or other facilities located anywhere, and including arrangements in which (1) the retail or other facilities are, or are not, converted to the System or other format or brand (including using the System or Marks), or (2) the System is converted to another format or brand, maintained under the Franchise System or a different system You agree to fully cooperate with any such proposed merger and conversion at Your expense

ARTICLE II
TERM AND SUCCESSOR FRANCHISE

2 1 Term This Agreement will be effective when executed by both You and Us The franchise term will be for a period of seven (7) years, unless terminated earlier pursuant to Article XI herein If We are required by law or otherwise to give You notice before the termination or expiration of this Agreement, and fail to do so, this Agreement will remain in effect from month to month until We have given the required notice

2 2 Successor Franchise If You are not in default of the terms and conditions hereof and have (1) complied with and timely met material terms and conditions of this Agreement throughout the initial term, (2) complied with Our material operating and quality standards and procedures and any required modification to such standards and procedures, (3) timely paid all monetary obligations owed to Us during the term of this Agreement, and (4) You are not subject to any pending litigation or governmental proceeding which could have a material adverse effect upon You or Your Franchise Business, You have the right to be awarded a successor franchise ("Successor Franchise") upon the expiration of the original term for an additional term of seven (7) years by giving Us written notice by certified mail, personal delivery, or email with a confirmed receipt at least one hundred eighty (180) days and not more than one (1) year prior to the expiration date of the term hereof You may also be awarded an additional successor term of seven (7) years upon expiration of the first Successor Franchise term as provided above for a total of twenty one (21) years counting the original and Successor Franchise terms Your failure to give such notice shall constitute an election not to enter into a Successor Franchise Agreement (defined below) If You fail to elect a Successor Franchise for any reason but continue to operate Your Franchise Business, at Our election You will be deemed to have renewed the Agreement on a month-to-month basis and You will be required to abide by Our then current fees for royalty, marketing and others as set out in the Manuals Your month-to-month Franchise Business may be terminated only by Us upon 30-day prior written notice to you for any reason whatsoever

2 2 1 Notice of Non-Approval If We, after receipt of Your notice of election, decide for good cause, not to approve the Successor Franchise, We shall give You such notice of non-approval as required by law

2 2 2 Successor Franchise Agreement If approved as a Successor Franchise, You will be required to execute Our then-current form of successor franchise agreement ("Successor Franchise Agreement") Including personal guarantees and to sign a general release of all claims against Us arising from this Agreement, the relationship created herein or Your Franchise Business If You fail to execute such a release, the signing of the Successor Franchise Agreement will be the equivalent of the granting of such a release The Successor Franchise Agreement will supersede in all respects the terms and conditions of this Agreement, and You will be obligated to pay royalties and other continuing fees at the then existing levels required to be paid by new franchisees You must sign and return to Us the Successor Franchise Agreement within ninety (90) days prior to the expiration of the then-current term, or You will, at Our election, be deemed to have withdrawn Your request to enter into a Successor Franchise Agreement and this Agreement shall terminate at the expiration of the term then in effect **It is acknowledged by You that the form of the Successor Franchise Agreement in effect at the time may contain economic, royalty, marketing and other fees and charges, territorial, and other changes in material provisions different from those contained in this Agreement, Including terms affecting payments to Us or Our affiliates**

2 2 3 Successor Fee If approved for a Successor Franchise, You shall pay to Us a non-refundable Successor Franchise fee of five hundred dollars ($500), payable in full at the time of execution of the first Successor Franchise Agreement You will be obligated to pay royalties, marketing fees and other continuing fees charged by Us at the then existing levels required to be paid by and under the policies established for new franchisees In addition to the signing of the then current form of Our Successor Franchise Agreement, You acknowledge and agree that We can require You, at Your expense, to reasonably update Your Franchise Business to the extent and in the manner reasonably specified by Us to conform with and bring it up to the standards and image of new franchises being opened and/or licensed by Us at the time the Successor Franchise takes effect

2 2 4 Successor Franchise Training You and Your manager(s) may be required to attend and successfully complete any training, certification and other programs at such times and locations as We specify You will pay the expense of travel, meals, lodging, and other related costs for such training

ARTICLE III
INTELLECTUAL PROPERTY

3 1 Intellectual Property You acknowledge that We and Our affiliates have the sole right to license, own and control the Marks, System, and all copyrights, confidential information, trade names, trade dress and other intellectual property and that such will remain under Our sole and exclusive ownership and control

3 2 Use of Intellectual Property You have a non-exclusive right to use the Marks and other Intellectual Property only in connection with Your Franchise Business and in accordance with Our Manuals and this Agreement You understand and agree that the use of the Intellectual Property, System, and goodwill are all temporary benefits and expire with the termination or expiration of this Agreement You expressly covenant that during the term of this Agreement and after the expiration, transfer, or termination thereof, You will not (1) directly or indirectly contest nor aid in contesting the validity of Our ownership of the Intellectual Property, nor (2) in any manner interfere with or attempt to prohibit Our use of the Intellectual Property and derivatives thereof or any other name, trademark, or service mark that is or becomes a part of Our System, or (3) interfere with the use of the Intellectual Property by Our other franchisees or licensees at any time You agree to use the Intellectual Property and System only in connection with the operation of Your Franchise Business and only in the manner allowed by this Agreement and the operational standards established by Us from time to time, and only so long as You fully perform and comply with all of the conditions, terms and covenants of this Agreement and Our operations and policies and procedures We prescribe from time to time

3 3 Our Marks You acknowledge that as between You and Us, the Marks and derivatives thereof are valid trade names, trademarks and service marks owned by Us or licensed to Us You understand that, by agreement, several unrelated parties located in California have the right to use the name "The Grout Doctor" and some operate under a different agreement with different restrictions on the use of the Marks You agree to use the Intellectual Property and System only in connection with the operation of Your Franchise Business and then only in the manner allowed by this Agreement and the operational standards established by Us, as modified by Us from time to time, and only so long as You fully perform and comply with all of the conditions, terms, and covenants of this Agreement and Our Policies and Procedures We prescribe from time to time

3 4 Use of Marks You will only use Our Marks licensed by this Agreement and only with the letters "TM", "SM" or "®", as appropriate and as instructed by Us, whenever and wherever such Marks are used In addition, You will not use Your own name or any other name service or product in connection with any of Our Marks without Our prior written consent You are prohibited from using any Mark in connection with the performance or sale of any unauthorized service or product or at any location not approved in writing by Us You agree to not use the Marks in any manner that would or may cause the Marks or the System to be subject to any ill repute or negative publicity You will not use the Marks on any inter-company documents to identify Your Franchise Business or entity (Including employee manuals, handbooks, emails, letterhead) or on business checks or bank accounts All communications with Your employees will be under Your entity name

3 4 1 Cooperation You agree to execute any and all additional papers, documents and assurances in connection with the Marks as reasonably requested by Us and agree to fully cooperate with Us and any of Our other franchisees or licensees in securing all necessary and required consents of any state agency or legal authority for the use of the Marks or any other name, trademark, service mark, logo or slogan that is now or later becomes a part of Our System

3 4 2 Use in Marketing You have the right to use the Marks to market only in the Territory You are prohibited from using any licensed Marks in connection with the sale of any product or service not expressly authorized in the manuals or otherwise in writing by Us All other use of the Marks in marketing must be with Our prior written approval as set forth in this Agreement and in the Manuals

3 4 3 Modification of Marks You agree that We have the right, in Our reasonable discretion, to require You to change, modify or discontinue the Marks or to use one or more additional trademarks, service marks, logo types and/or other symbols in connection with the operation of the Franchise Business In that event, You agree to bear the cost of using such additional or modified Marks or items in accordance with Our reasonable directives

3 4 4 No Registration You agree not to make application for registration or other protection of any of the Marks, or any other trademarks, service marks, symbols, names, slogans, logos, trade names or any items that are similar or derivates therefrom in any jurisdiction without Our prior written consent and then only upon the terms and conditions specified by Us in connection therewith

3 4 5 Compensation f and Rebates We reserve the right to require that all items and goods bearing Our Marks, other trademarks or service marks, or private label be purchased from Us or businesses designated or approved by Us We may derive income through mark-ups on such items and goods, or We may receive a fee or other consideration from other suppliers

3 4 6 Restricted Use of the Marks The trademarks will be used only in connection with grout cleaning and restoration procedures, and other business, products and services as may be approved or specified in writing by Us and shall at all times be used only in a manner approved by Us The list of approved services is attached as Exhibit A-5 of this Agreement and by reference incorporated herein

3 5 Copyrights All right, title and interest in and to all materials, Including all artwork and designs, created by Us, and used with the Marks or in association with the System ("Copyrighted Materials") are Our or Our affiliate's the sole and exclusive property Additionally, all Copyrighted Materials whether created or used by You or any other person or entity retained or employed by You or Us are "works-made-for-hire" as defined in (the Copyright Act) Section 101 of Title 17 of the United States Code ("Works-for-Hire"), are Our sole and exclusive property, and We are entitled to use and license others to use the Copyrighted Materials unencumbered by moral rights If the Copyrighted Materials are not Works-for-Hire or rights in the Copyrighted Materials or do not automatically accrue to Us, You agree to irrevocably transfer and assign to Us, Our successors and assigns, without compensation to You, the entire right, title, interest and ownership in the Copyrighted Materials in perpetuity throughout the world in and to any and all rights, Including all copyrights and related rights, in these Copyrighted Materials, which You and the author of these Copyrighted Materials warrant and represent as being created by and wholly original with the author You agree to execute any document necessary to effectuate the transfer and assignment Where applicable, You agree to obtain any other assignments of rights in the Copyrighted Materials from another person or entity necessary to ensure Our rights in the Copyrighted Materials as required in this Section To the extent You have any moral or similar rights in the advertisement, materials or derivative, You expressly waive those rights

3 6 Manuals You agree that the Manuals and other material provided to You by or through Us will remain Our sole property and must be returned to Us at Our discretion You acknowledge that Our menus, formulations, product specifications and the contents of the Manuals provided to You by or through Us, and Your knowledge of Our formulations, processes, services, products, know-how and the System, are secret, unique and confidential and contain trade secrets and other material proprietary to Us You agree not to disclose the contents of the Manuals and proprietary items or materials set forth above, to unauthorized persons and to follow the procedures set forth in Section 3 10 below use Your best efforts to prevent unauthorized disclosure to any person Such disclosure would cause irreparable harm You agree not to copy or otherwise duplicate in any format Our Manuals or any other proprietary materials

3 7 Sole Control You agree that We will have the sole control over any legal or administrative action concerning the proprietary names and Marks and other Intellectual Property You must promptly notify Us in writing of any claim, demand or suit by any person, corporation or other entity based upon or in connection with any of the Intellectual Property licensed hereunder in which We have an interest In the event We undertake the defense or prosecution of any litigation pertaining to any such Intellectual Property, You agree to execute any and all documents and do such acts and things as may, in the opinion of Our counsel, be necessary to carry out such defense or prosecution If We fail to undertake action within a reasonable time after receipt of Your notice regarding any such claim, demand or suit, then You may, with Our prior written consent, but You will not have the obligation, to undertake the defense of any such proceeding and will do so at Your sole cost and in strict coordination and oversight with Us and You may not do any act or make any claim which is contrary to or in conflict with Our rights in the Intellectual Property

3 8 Goodwill You acknowledge that valuable goodwill is attached to the Marks and System, and that You will use the same solely in the manner prescribed by Us and will carry out Your Franchise Business under such names and Marks in accordance with operational standards established by Us from time to time Any and all goodwill associated with the Marks and System, Including any goodwill, customers, and actual or potential customer data and lists ("Customer Data") that might be

deemed to have arisen through Your activities is Our sole property and inure directly and exclusively to Our benefit, except as otherwise provided herein or by applicable law

3 8 1 Customer Data You have a royalty-free non-exclusive right to use the Customer Data during the term of this Agreement You must provide Us copies of all Customer Data upon request You agree to abide by all applicable laws pertaining to the privacy of consumer, employee and transaction information, and if We allow You to use the Customer Data to transmit advertisements to customers and potential customers, You will be solely responsible to comply with the laws pertaining to the sending of emails, including the CAN-SPAM Act of 2003

3 9 Use of Name Within thirty (30) days of signing this Agreement, You must file for a certificate of assumed or fictitious name or DBA in the manner required by the law in the state where Your Franchise Business is located so as to notify the public that You are operating Your Franchise Business as an independent business pursuant to this Agreement, designating Your assigned franchise unit number in such filing Failure to do so is a default of this Agreement You will display a standard sign and/or plaque, as may be provided or required by Us, with Your Franchise Business indicating that the business is independently operated and owned as a franchised business

3 10 Maintaining Secrecy You agree to (1) fully and strictly adhere to all security procedures prescribed by Us in Our sole discretion for maintaining the secrecy of proprietary information, (2) disclose such information to Your employees only to the extent necessary to market Our products and services and for the operation of the Franchise Business in accordance with this Agreement, (3) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Us, and (4) exercise the highest degree of diligence and make every effort to maintain the absolute confidentiality of all such information during and after the term of this Agreement You agree that We have the sole rights to certain business know-how ("Know-How") pertaining to grout cleaning and restoration procedures and that no goodwill associated with any of the Know-How shall inure to You It is further agreed that the items of this Know-How constitute trade secrets of Ours which are revealed to You in confidence and You will not, at any time during the term of this Agreement or any time thereafter use or attempt to use the Know-How in connection with any other entity or business in which You have an interest, direct or indirect, nor shall You disclose, duplicate, reveal, sell or sublicense the Know-How or any part thereof or any way transfer any rights in the Know-How except as authorized by Us

3 11 Changes to the System If You or We, during the term of this Agreement or any interim period, conceive or develop any improvements, changes, modifications, enhancements or additions to the System, Copyrighted Materials, Manuals, website or any other documents or information pertaining to or relating to the System, or any Intellectual Property related to the System or any creative concepts, marketing and promotional ideas or inventions related to the System (collectively, the "Improvements") You will fully disclose the Improvements to Us, without disclosure of the Improvements to others, and will obtain Our written approval before using or implementing these Improvements Any of these Improvements may be used by Us and all other franchisees without any obligation to compensate You You will assign and do hereby assign to Us, all right, title and interest in and to the Improvements, Including right to grant licenses for use of any of these Improvements At Our discretion, We reserve the right to make application for and own Intellectual Property relating to any such Improvements, and You will cooperate with Us in securing these rights We may also consider such Improvements as Our property and trade secrets At Our discretion, We may authorize You to utilize any Improvements that may be developed by You, Us or other franchisees

ARTICLE IV
VEHICLE AND COMMENCEMENT OF OPERATIONS

4 1 Base of Operation You will generally operate Your Franchise Business from Your car, van or truck which is required to feature the Grout Doctor® Marks as required by Us in Our Operations Manual You must have an approved Office Location

4 1 1 Office Location Approval We recommend that Your Office Location be located at Your home If You have an Office Location other than Your home it must be approved by Us in writing and must be within Your Territory However, it will be Your responsibility, at Your sole cost and expense to select Your Office Location within Your Territory You must provide Us with the street address of proposed site and such other information as We request

4 1 2 Competing Business Your Office Location shall not be used for any competing business without Our prior written consent

4 2 Vehicle You must use and approved vehicle for the operation of Your Franchise Business You are required to follow Our specifications for vehicles and marketing on the exterior of Your vehicle, as set forth in Our Operations Manual, at Your cost Each vehicle used in the operation of Your Franchise Business will display the approved colors and signage (truck wrap or vehicle magnets) Each vehicle used in the operation of Your Franchise Business must have approved wrap or vehicle magnets prior to using any such vehicle in association with Your Franchise Business, and in any event no later than thirty (30) days following the execution of this Agreement If the vehicle wrap or magnet becomes damaged, disfigured, worn out, or otherwise ceases to properly portray the System and the franchise, You are required to repair, rewrap, or otherwise fix the wrap or magnet in accordance with Our System standards You are responsible to ensure that these specifications conform to all applicable laws You are solely responsible to provide the required licenses, insurance, maintenance, and upkeep for all vehicles You must ensure that all vehicles used in association with Your Franchise Business are maintained in good condition and repair If any vehicle suffers external damage, unreasonable wear and tear, or other damage You are responsible to correct such no later than thirty (30) days following any such damage or wear and tear If You lose access or use of Your approved vehicle for any reason, or if Your approved vehicle ceases to meet Our standards, then you must correct any deficiency or secure a new approved vehicle no later than thirty (30) days following notice from Us

4 3 Commencing Operations You are required to commence operations within ninety (90) days following the signing of this Agreement

4 3 1 Failure to Commence Operations If You fail to commence operations as provided above, this Agreement is subject to termination by Us You will not receive a refund

4 4 Equipment We provide You with all equipment necessary for the initial start of Your Franchise Business upon completion of training in Our initial start-up package The start-up package includes the items specifically set forth on Exhibit "A-6" attached hereto and by reference made a part hereof You are responsible for any damage caused to the start-up package after You receive it Thereafter, You are required to provide by purchase or lease all inventory, vehicles, tools, and

equipment as may be necessary for proper and efficient operation of Your Franchise Business and maintain such inventory, tools, vehicles and equipment in good working order

4 5 Supplemental Services We may offer training for supplemental services to be provided by You through Your Franchise Business You must have operated Your Franchise Business for at least three (3) months before You request to be trained by Us to offer these supplemental services to the public You must pay Our then current training fee for each person to be trained in these supplemental services and You must pay for Your travel, food and lodging during training If You have a manager, other than You, he or she must also be trained in these supplemental services and pay the training fee From time to time We may amend the supplemental services available to You Providing supplemental services may require You to purchase or lease additional equipment or supplies

4 6 Data Center System We provide a data center voice mail and data entry system ("Data Center") which a message retrieval, distribution and data entry center, established for processing, distribution and entry into Your Grout Doctor Franchise Management Software of calls from prospective customers by zip code, insuring the integrity of Your Territory, including quality control for complaints, etc You must utilize the Data Center and pay the current fee for this service We provide a local access number, including a listing in directory assistance, the white pages and the Yellow Pages, when possible It shall be a material breach of this Agreement in the event You conduct any marketing using any other telephone number The only exception We allow is if You need to use tracking phone numbers for some services and We approve such tracking numbers and/or services prior to use, in writing

ARTICLE V
FEES AND REPORTS

5 1 Initial Franchise Fee An initial franchise fee of $_____ for _____ owner occupied households in Your Territory is payable to Us in one lump sum by cashier's check at the time of execution of this Agreement The initial franchise fee is fully earned by Us and is non-refundable except as set forth in 5 1 1 below No rights or privileges under this Agreement must exist until the initial fee is paid in full

5 1 1 Limited Refund In the limited event that You fail to satisfactorily complete the training and testing required by Us to operate Your Franchise Business to Our reasonable satisfaction at Our sole discretion, We shall be deemed to have reasonable cause to terminate this Agreement according to Section 11 hereof Upon this termination, the initial portion of the Franchise fee, less $6,675 for Our sales efforts and less any actual out-of-pocket expenses incurred by Us in connection with the Franchise, shall be returned to You

5 2 Royalty You must pay a Us non-refundable on-going monthly royalty as follows, or a minimum payment of $0 00383 per household, whichever is greater

9% of Your Gross Sales if Your Gross Sales are from $0 to $8,000
8% of Your Gross Sales if Your Gross Sales are $8,001 to $12,000
7% of Your Gross Sales if Your Gross Sales are $12,001 to $15,000
6% of Your Gross Sales if Your Gross Sales are $15,001 or greater

The maximum monthly royalty is $0 0075 per owner occupied household in Your Territory

The term "Gross Sales" includes the total of all sales of all services sold or rendered by You arising from Your Franchise Business during the term of this Agreement "Gross Sales" excludes bona fide credits and returns and any sales for merchandise and excludes amounts paid by You for sales or use taxes on the sale of any merchandise or services The royalty is in consideration of Your right to use the Intellectual Property and the System in accordance with this Agreement, and not in exchange for any specific services We render We reserve the right to collect this fee weekly in the future

5 2 1 Royalty Deferment Notwithstanding anything to the contrary contained in this Agreement, You are not required to pay the Royalty for the first month You are open for operation Your royalty shall be reduced by fifty percent (50%) for the following two (2) months You shall be required to pay the full royalty amount each month thereafter The monthly Royalty for Your second month after opening of the Franchise Business will be due on the 5th day of the following month If You begin operation on any day subsequent to the first day of the month, the Royalty shall be prorated based on the number of days You are in operation during this partial calendar month

5 2 2 Change in Law In the event there is a change in the law or a discovery of a law affecting the collection of royalties, You agree to allow Us to modify which sales of products, goods or services sold or rendered by You will be calculated as "Gross Sales " In no event will the modification of royalties result in Your payment in excess of the royalty set forth above in this Section 5 2

5 3 Marketing Fees

5 3 1 Marketing Fund Currently You must pay Us an ongoing monthly marketing fee of one half percent (½%) of Gross Sales for Our marketing and promotion programs However, We may, in Our sole discretion, increase such fee to up to three percent (3%) of Your Gross Sales, in the future

5 3 2 Local Marketing You must also spend a minimum sum equal to twenty percent (20%) of Your monthly Gross Sales or $2,000 per month, whichever is greater, on local marketing enhancing the reputation of Your services on a local level during the first six (6) months of the operation of the Franchised Business Upon completion of the first six (6) months, Your marketing allotment shall be at a minimum of $1,200 per month but we highly recommend that You continue marketing at the rate of 15% to 20% of Your gross sales You must substantiate the minimum marketing outlays required supplying this information to Us as We may require it including tear sheets and paid marketing invoices You may only use marketing materials approved by Us We reserve the right to increase the minimum local marketing requirement if We determine, in Our sole discretion, that to do so will be in the best interest of the System

5 3 3 Marketing Cooperative In the event a local marketing co-op is formed, You will be required to contribute to the marketing co-op as established and assessed by the co-op This contribution may vary in the timing of the assessment and according to the vote and rules of Your co-op, but will not exceed Your required annual local marketing amount in any single year, unless a majority of members in Your co-op vote to increase the contribution amount Monies spent for co-op marketing, if any, may be counted in satisfying the above-referenced local marketing requirement

5 3 4 Data Center Fee You must pay Us a monthly Data Center fee the amount of which is set forth in the Operations Manual and may be adjusted from time to time by Us This is

payable by the 5th of each month for that month's service This is a required fee, You may not opt out of this service

5 3 5 Technology Fee We may impose a technology fee for the software and other technology that we implement in the system We do not currently charge for this fee, but we reserve the right to impose this fee upon 30 days notice to You If implemented, the fee may be used for the costs and maintenance of the software and other technology including payment to employees

5 4 Calculation and Reporting The calculation, reporting and payment of the royalty and marketing fee specified in Sections 5 2 and 5 3 above will be made as follows

5 4 1 Gross Sales Report You must submit to Us via Your Grout Doctor® Franchise Management Software or other electronic reporting program We may establish from time to time, not later than the last day of the month, a report of the financial activity of the that month showing all monies received or accrued, sales or other services performed and such other information concerning Your financial affairs as We may reasonably require For purposes of this Agreement, such information must be referred to as the "Gross Sales Report " You agree to promptly provide such reports to Us as may be required by this Agreement, in the Manuals, which may be amended from time to time, or as may be otherwise reasonably required from time to time by Us We reserve the right to require all reports to be submitted weekly in the future

(1) Data Entry You are required to stay current with the input of your data entry into the Franchise Management software You must enter your data not less than weekly and on the last day of each month You must also send a completion report to us on the last day of each month representing that all invoices and receipts have been recorded Failure to send the completion report will result in us drafting the maximum royalty due under your franchise agreement

5 4 2 Payment Due Date All royalty, marketing, data center, and all other fees must be paid in accordance with Our then-current electronic funds transfer, ACH or other automatic withdrawal program or as specifically directed by Us Currently, the royalty and marketing fees as shown and calculated on the Gross Sales Report shall be due and payable and must be received by Us or credited to Our account by pre-authorized bank debit and automatically withdrawn from Your Operating Account ("Operating Account" is defined as that account into which all receipts must be deposited) on or before the 5th day of the month for the previous month's Gross Sales (the "Due Date") You shall sign those documents as may be required by Us to permit Us to withdraw from Your general operating checking account the amounts due to Us We reserve the right to require weekly payment of all royalty, marketing, and other fees in the future You agree not to have more than one Operating Account We may require that all reports and payments be submitted electronically If We implement such a program You will participate in and comply with the program

5 4 3 Late Fees If the required royalty, marketing, or other fees are not timely received by Us as set forth above, an assessment of five percent (5%) of the fees due are added to the amount owed In addition, as fees are not paid and reports are not received, there are progressive late fees charged daily to you as set forth in our Manuals These fines are due within ten (10) days notice to You, and the amounts may be adjusted by Us from time-to-time in the Manuals

5 4 4 Interest In addition, all royalty, marketing, fees and or other fees not paid when due will be assessed and accrue interest from the due date to the date of payment, both before and after

judgment at the rate of eighteen percent (18%) per annum or the maximum rate allowed by law, whichever is less In no event will any amounts be charged as interest or late fees or otherwise which exceed or violate any applicable legal restrictions Unpaid interest charges will compound annually

5 4 5 Taxes If there is hereafter assessed any nature of sales tax or use tax or other tax on royalties or marketing fees or other sums previously or hereafter received by Us under this Agreement ("New Tax"), then in addition to all royalties, marketing fees and other payments to be made by You as provided in this Agreement, You must also pay Us or the taxing authority, a sum equal to the amount of such New Tax Any New Tax paid to Us will be paid when due to the taxing authority

5 5 Financial Statements You must submit to Us within ninety (90) days after the end of each calendar year during the term of this Agreement, a complete financial statement for the preceding calendar year, Including profit and loss statement and balance sheet The financial statement and accompanying documents do not need to be audited unless specifically requested by Us, at Our discretion

5 5 1 Access and Use of Financial Records We or Our certified public accountants or other duly authorized agent, will have the right during normal business hours to conduct computer and other audits and to examine and make copies of Your books, records, financial statements and sales and income tax returns, and You agree to keep complete and accurate books and records of the operation of Your Franchise Business

5 5 2 Audit of Books and Records In the event that any audit or investigation discloses a deficiency of two percent (2%) or more of the Gross Sales in the computation or payment of the royalty or marketing fee due Us, You must immediately pay Us the amount of the deficiency, the appropriate fee for late charges, and You must reimburse Us for the total expense of the audit or investigation, Including the charges for the accountant and the travel expenses, room, board and other costs incurred in connection with the audit Your failure to report Gross Sales for any time period or Your failure to retain and have required records available in an organized and readable format will be deemed an understatement by more than two percent (2%)

5 6 Application of Payments We can apply any payments received from You to any past due or then-current indebtedness of Yours for royalties, marketing fees, franchise fees, purchases, lat fees, interest or otherwise

5 7 No Refunds The royalty fees, marketing fees and other fees set forth in this Agreement are not refundable

5 8 Funding You are solely responsible for obtaining all funding for Your Franchise Business Failure to obtain sufficient initial funding for opening Your Franchise Business is grounds for termination of this Agreement

5 9 Customer Complaints If We handle a customer complaint against You, You must pay Us a fine of Seventy-Five dollars ($75 00) per incident, plus You must reimburse Our costs to resolve the matter, if applicable

ARTICLE VI
FRANCHISEE'S OPERATIONAL COVENANTS

6 1 Business Operations In addition to other obligations, requirements and covenants set forth in this Agreement, You agree as follows

6 1 1 Compliance with Applicable Laws You will comply with all local, state, and federal applicable laws and regulations in connection with the operating of Your Franchise Business These Include obtaining business licenses, contractor licenses and permits You are solely responsible for ensuring compliance with the American's with Disabilities Act, the Patriot Act, OSHA, environmental laws, workers' compensation laws, the Affordable Care Act, and all other applicable laws, ordinances and regulations or ruling of every nature whatsoever which in any way regulate or affect the operation of Your Franchise Business You agree to obtain all required permits and licenses for the operation of Your Franchise Business You agree to indemnify and hold Us harmless from any such violation or non-compliance We have not made and You have not relied on any representation that no licenses, or only certain licenses, etc , are necessary in connection with the operation of Your Franchise Business You agree to not engage in any activity or practice which results, or may reasonably be anticipated to result, in any public criticism of Our System or any part thereof

6 1 2 Appearance and Customer Service You must establish and maintain all vehicles used in association with Your Franchise Business and the Premises in good repair and in a clean and attractive manner, wear the required uniform designated by Us, carry proper identification and give prompt, courteous and efficient service to the public and otherwise operate Your Franchise Business in strict compliance with Our System and policies, practices and procedures contained in the Manuals or as otherwise communicated to You in writing and promulgated or provided to You from time to time so as to preserve, maintain and enhance the reputation and goodwill of Our System We reserve the right to require that Your employees comply with any dress code, Mark or brand-related standards that We may require, and/or otherwise identify themselves with the Marks at all times in the manner We specify while on a job for the Franchise Business If You do not follow the standards of Our System, as determined by Us, You may receive a fine or charge as provided in the Operations Manual, and if uncured as provided herein this Agreement may be terminated at Our discretion You may not alter, change or modify the System in any way without Our prior written consent and approval

6 1 3 Signage You must have at least one vehicle wrap or magnetic vehicle sign displaying Our Marks In addition, You agree to have the number of additional signs as provided in Our Operations Manual or other Manuals All signs to be used on, or in or in connection with Your Franchise Business must meet Our specifications and must be approved in writing by Us prior to use by You You agree to maintain all signs in good condition and to undertake such repairs and or replacements at Your expense as We reasonably determine to be necessary

6 1 4 Training You and Your managers, if other than You, are required to attend and successfully complete Our training program prior to commencing operations of Your Franchise Business The training program is described in Paragraph 7 1 6 In addition, You are required to implement any training programs related to brand and trademark quality control that We designate for

Your employees in accordance with Our Operations Manual and You must attend and complete other training programs as may be specified by Us from time to time for which a fee may be charged

6 1 5 Other Agreements You agree to execute all other agreements required under this Agreement and to provide Us with a copy within fifteen (15) days of execution

6 1 6 Management You are required to personally participate in the operation of Your Franchise Business However, Your Franchise Business may be managed by either You or a designated manager who will be required to devote his or her full time, attention and best efforts to the management and operation of Your Franchise Business You agree to devote primary attention to Your Franchise Business You an Your designated manager must successfully complete and pass Our initial training program before assuming management responsibilities You must maintain sufficient inventory, supplies and products and employ adequate personnel so as to operate Your Franchise Business at its maximum capacity and efficiency You and Your manager must keep free from any conflicting or competing enterprises or any other activities, which would be detrimental to or interfere with the operation of Your Franchise Business You understand and agree that this Agreement is granted based on Your commitment to Your Franchise Business The possible success of Your Franchise Business is largely a function of the time, skill and energy You devote to it Absentee management may significantly increase the risks associated with Your Franchise Business

6 1 7 Operational Hours You are not required to work a certain or minimum number of hours, however, You must work sufficient hours and employ adequate personnel to operate Your Franchise Business or supervise Your manager so that Your Franchise Business is operating at maximum capacity and efficiency

6 1 8 Remodel and Upgrades At Your expense, You agree to modernize, upgrade or otherwise refurbish Your vehicle from time to time as We may reasonably direct, but not more often than every five (5) years (except for required changes to the Marks that We may require at any time) to conform to the design, color schemes and presentation of trade dress consistent with Our then current public image, except for required changes to Trademarks, which may be made at any time and in any frequency The purpose of upgrades is to ensure that all Our franchisees and franchise businesses may have a uniform look and appearance

6 1 9 Your Employees You are solely responsible for the hiring, firing, training, managing and determining compensation and benefits for Your employees We do not assist You in the hiring, firing, management, or other employment decisions regarding Your employees, or in creating any policies or terms and conditions related to the management of Your employees or their employment The only training assistance We provide is the training of Your managers as part of the initial training

6 1 10 Insurance You must at all times during the entire term of this Agreement and at Your own expense keep in full force, by advance payment or payments the following minimum insurance policies, obtained from a company rated "A" or better by A M Best & Company, Inc , which minimums may be adjusted from time to time (a) comprehensive general liability insurance, Including contractual liability, broad form of property damage, products liability with amounts of $1,000,000 combined single limit $1,000,000 bodily injury, and $1,000,000 property damage, (b) commercial automobile liability insurance for both owned and non-owned vehicles used in Your Franchise Business with deductibles not to exceed $1,000 but in no instance less than

$100,000/$300,000/$50,000 or a minimum combined single limit of not less than $250,000, (c) fire, theft, windstorm and extended coverage insuring Your inventory, equipment, and personal property, for the full replacement value, (d) Bailee's insurance covering the value of any and all customers goods in Your possession, and (e) workers compensation as required by Your state laws These policy amounts are required minimums You must also maintain and keep in force all insurance on Your employees that is required under all federal and state laws You should consult with your insurance agent to see if you may need additional coverage or higher limits for Your Franchise Business

(i) Policy Requirements These policies shall insure both You and Us and Our nominees as additional insureds against any liability which may accrue against them by reason of the ownership, maintenance or operation of Your business licensed by this Agreement wherever it may be located Said policies shall stipulate that prior to cancellation, termination or modification, We shall receive a thirty (30) day written notice of such event Original or duplicate copies of all insurance policies, certificates of insurance or other proof of insurance acceptable to Us must be furnished to Us together with proof of payment within thirty (30) days of issuance thereof In the event You fail to obtain insurance and keep the same in full force and effect, We may replace such insurance at Our discretion and You shall pay Us upon demand the premium cost thereof Notwithstanding the foregoing, Your failure to obtain said insurance constitutes a material breach of this Agreement, entitling Us to terminate this Agreement You will also procure and pay for all other insurance required by state or federal law, including, without limitation, worker's compensation insurance We may raise insurance limit requirements by written notification or amendment to Our Operations Manual

6 1 11 Pricing We may, to the degree permitted by law, suggest retail prices and specify maximum and/or minimum pricing You may charge for products and services If We impose a maximum price for any product or service, You may charge any price for the product or service up to and Including the maximum pricing We impose, but You may not charge any price in excess of the maximum pricing If We impose minimum pricing for any product or service, You may charge any price down to and Including the minimum pricing imposed, but You may not charge any price below the minimum pricing set by Us You can not market prices lower than Our suggested prices outside of Your Franchise Business Our pricing policies are intended to benefit the System as a whole and may not maximize Your profits

6 1 12 Computer and Software At Your expense, You must purchase or lease the computer system and other computer hardware and software systems designated by Us in strict accordance with Our specifications as they evolve over time You must have a computer system compatible with accessing the internet and a high-speed internet connection Currently the minimum system requirements are Windows 7 or higher with 1 gigabyte of Ram or the Machintosh equivalents We reserve the right to change these requirements in the future We provide you with Grout Doctor Franchise Management Software without additional cost to you, but we reserve the right to charge a monthly or annual fee for the software in the future If in the future We adopt a different computer system, or other system for the System, You must adopt it at Your expense You must modify and upgrade, or change, at Your sole expense, Your computer system, hardware and software as We direct in writing from time-to-time You must provide Us full 24 hour 7 day a week access, Including online access, and the right to "upload" or "download" information to and from all POS, computer and other systems and to the information and data contained in them You agree that You will not make any claim against Us or Our affiliates for any loss, damage, liability or expense caused by or related to failures, errors or otherwise of any computer hardware or software system There is no contractual limitation on Our right to receive information through Your computer or other systems You will use

any software We designate from time to time There is no contractual limitation on Our right to access or receive information on or through Your computer, POS or other systems You must use any hardware or software We designate from time to time

(i) Retention of Records You must record all sales at the time of the sale in the computer system using the software or other sales recordation system approved or designated by Us from time to time You must have high speed, broadband Internet access at the levels required in the Manuals You must retain all computer records, charge account records, sales slips, orders, return vouchers, sales tax reports and all of Your other business records and related back-up material, tax returns, and financial reports for at least five (5) years following the end of the year in which the items pertain Including after the termination or Transfer of this Agreement You are required to follow our accounting procedures and line items as provided and updated in our Manuals

(ii) Merchant Account If established, at Your expense, You agree to participate in Our merchant account and other point of sale programs as set forth in Our Manuals You must apply for and maintain debit card, credit card, and other non-cash payment system using the merchant account and merchant account services as set forth in Our Manuals

Data Security Standards At Your cost and expense, You must investigate and ensure that You comply with all payment card industry ("PCI") and data security standard ("DSS") standards, regulations, and requirements You must meet the requirements of, and comply with enhancements and changes to, the PCI and DSS and maintain PCI compliance with the current version of the PCI and DSS You are responsible to use all required tools, systems, and vendors to complete ongoing PCI requirements Including quarterly external security scans and annual self-assessment questionnaires You are solely responsible for all costs relating to PCI compliance and data security issues, Including, security threats, breaches, and malware It is Your responsibility to alert Us, not later than 24-hours following a suspected or confirmed data security breach, so that appropriate action can be taken to protect customer data and notify relevant parties You are not permitted to collect, store, transfer, etc any unnecessary customer information

(iii) Additional Technology In the future, we may require you to have a tablet or smart phone that is capable of running a mobile app for the system

6 1 13 Conferences and Seminars In Our discretion, We may hold annual conferences or "franchise meetings" on a regional or national basis for all franchisees in good standing These meetings will enable franchisees to come together to discuss improvements, new developments, mutual concerns and resolve business issues The conference is mandatory for the first three (3) years You operate Your Franchise Business, thereafter You must attend at least every other year The conferences may be held at various locations chosen by Us In addition, We may charge a conference fee, and the cost of meals, lodging, employee salaries and travel to such meetings will be borne by You We may conduct additional seminars and/or franchise meetings to discuss sales techniques, personnel training, bookkeeping, accounting, inventory control, performance standards, marketing programs and merchandising procedures You must pay for all Your travel and living expenses to attend

6 1 14 Business Plan You are required to provide to Us an initial business plan within sixty (60) days prior to the opening of Your Franchise Business In addition, You are required to annually update Your business plan and submit the updated plan to Us within ninety (90) days after Your fiscal year end

6 2 Quality Control

6 2 1 Correction of Defects Should We notify You at any time of defects, deficiencies or unsatisfactory conditions in the conduct of Your Franchise Business, You agree to immediately correct any such item or items You agree to establish and maintain an image and reputation for Your Franchise Business consistent with the standards set forth in this Agreement, in the Manuals, or as otherwise specified by Us If You fail to do so, You may receive a fine or charge as provided in the Manuals, and this Agreement may be terminated if a non-curable default is discovered or defaults have occurred on multiple occasions as set forth in Article XI

6 2 2 System Compliance You agree to strictly follow Our System, the Manuals, systems, formulations, products, procedures, forms, services, and signs and other directives promulgated or provided by Us from time to time and to promptly implement changes in Your Franchise Business In addition, the equipment, products and signs of Your Franchise Business shall be purchased from sources designated or approved by Us and maintained in accordance with Our standards and specifications We may approve exceptions or changes from the uniform standards which We, in Our sole discretion, believe necessary or desirable You have no right to object to such variance or to obtain the same variance for Yourself You must at all times maintain a valid email address, known and available to Us and frequently checked by You to facilitate Our communications with You All mandatory specifications, standards, and operating procedures prescribed by Us from time-to-time in the Manuals or otherwise will constitute provisions of this Agreement as if fully set forth herein We may deny any or all of the above services to You while You are in breach of this Agreement or in default in the discharge of any of Your obligations to Us

(i) Gift Card Program If We adopt a coupon, gift, or other discount program, You will be required to implement such program in Your Franchise Business, which may include access to a bank account, established by You, for card charges made at other franchise units

(ii) Required Purchases You must purchase all of the Grout Doctor® products, equipment, logoed and Grout Doctor® branded items and other items and supplies from sources designated or approved by Us We will provide You with a list of specifications for approved products, equipment, supplies and materials We currently have a line of products which are marketed and sold to the public through Our website Every time a customer uses a code that represents You or a customer purchases the products from Your territory without a code, You will receive between 20 – 40% of the sale We keep track of the various purchases and send You Your portion of the sale and an accounting of the products sold each quarter You may not market these products through a website created by you or over the internet except through the Grout Doctor website You may purchase these items at a discount and offer them for sale to the public except through the internet You will be responsible for any sales tax that may become due by selling these products directly to the public

(iii) Modifications We have the right to modify, delete, add to and otherwise make systematic and other changes to the System, Intellectual Property, Manuals, and operations Including change of concept, products, services, specifications, standards, requirements, policies, operating procedures, equipment, software, methods, reports, forms and sales and marketing techniques You agree to accept, comply with, be bound by, use, not object to, implement and display all such changes to the System or operations You will make whatever expenditures are reasonably required to implement such changes or modifications The modifications may obligate You to invest

additional capital in Your Franchise Business and to incur higher operation costs You must incorporate all such modifications within the time periods that We specify We will not obligate You to invest additional capital at a time when the investment cannot in Our reasonable judgment be amortized during the remaining term of this Agreement

(iv) Inspections You hereby consent to reasonable inspections and audits during normal business hours of Your Premises and/or service vehicles as set forth in Section 7 5 below

(v) Non-Compliance You will be subject to fines and charges as set forth from time to time in the Manuals, for non-compliance with Our mandatory policies and procedures Such fines and charges are to be paid upon billing or in accordance with Our electronic funds, ACH or other automatic withdrawal program as developed

6 2 3 Compliance Monitoring Service We reserve the right, from time to time, to evaluate the operation and quality of Your Franchise Business through the use of a compliance monitoring service provided by Us or a third party We may use such service evaluations to inspect Your Franchise Business at any time at Our expense, without prior notification to You We may make the results of any service evaluation We pay for available to You, in Our sole discretion You are required to immediately pay all invoices for such services directly to the third-party provider

6 3 Confidential and Non-Competition Agreements You further agree to require Your owners, members, partners or shareholders and principal employees of Your Franchise Business to execute Our Standard Principal and Employee Confidential Information Non-Competition Agreements (attached as Exhibit "A-3" and "A-4" respectively) before performing any work or otherwise having access to Our proprietary information A copy of all such agreements shall be promptly delivered to Us within one (1) week of its execution We do not represent that this form will be enforceable in Your state You agree, at Your expense, to have this form reviewed by legal counsel in the state where Your Franchise Business is located

6 4 Miscellaneous Obligations

6 4 1 Personal Guarantees If Your Franchise Business is owned by a business entity, each individual owner, partner, shareholder, member, and owner managers respectively, who own five percent (5%) or greater interest, must each personally sign an agreement not to compete and must personally guarantee the performance of all Your obligations under this Agreement and agree to be personally bound by, and liable for, the breach of every provision of this Agreement

6 4 2 Drug Testing We may require You and Your management employees to submit to random drug testing at the time and place We feel necessary to ensure Your compliance with Our policies regarding drug use in the System, however, We are under no obligation to perform such testing You are required to provide Us a copy of all drug testing results within 30 days from the time You receive such test results

6 4 3 Disclosure We can disclose in Our disclosure document or otherwise, any information concerning Your Franchise Business, Including Your name, address, telephone number, general financial and other information

6 4 4 Employees You will hire and supervise efficient, competent, sober, drug-free, and courteous operators and employees for the operation of the business and set and pay their wages, commissions and incentives with no liability therefore on Us No employee of Yours shall be deemed to be an employee of Ours for any purpose(s) whatsoever You shall require all employees and contractors to sign agreements by which the employees and contractors may be bound by nondisclosure and non competition clauses in the form prescribed by Us, and to furnish Us a copy of each of these signed agreements

6 5 Standards and Control Any required standards exist to protect Our interest in the System and Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to You

6 6 Required Notices You are required to provide Us with prompt notice (within five (5) business days of receipt) of any default with regards to late payment of any taxes, government fines, payments owning to any vendors, landlords, or amounts owing to employees or contractors

ARTICLE VII
FRANCHISOR'S OPERATIONAL ASSISTANCE

7 1 Franchisor's Services We agree to the following

7 1 1 Design Counsel You in the aspects of setting up Your Franchise Business We will provide You with general specifications for signs, equipment and uniforms You must meet Our standards and specifications unless waived in writing by Us

7 1 2 Suppliers and Products Provide You with a list of specifications and a list of approved or designated suppliers of products, equipment, all logoed items and other items

7 1 3 Grand Opening Marketing We pay an amount equivalent to 10% of Your Franchise Fee, for Your Grand Opening Marketing If You purchase a Grout Doctor vehicle wrap from an approved supplier within 30 days from the opening of Your Grout Doctor Franchise Business, We will pay Four Hundred and Fifty dollars ($450) for a window wrap, Seven Hundred and Fifty dollars ($750) for a partial vehicle wrap and One Thousand dollars ($1,000) for a full vehicle wrap, to an approved supplier No Grand Opening marketing will be provided nor will any amount be paid toward Your vehicle wrap when additional units are purchased

7 1 4 Operations Assistance We will furnish You with guidance relating to the general operation of Your Franchise Business and, upon reasonable request, make Ourselves available to consult with You by telephone, email, Skype, teleconferences, or website posting during regular business hours during the continuing operation of Your Franchise Business (However, for problems and training for Your equipment and warranty items, You must consult with the respective manufacturer or supplier of those items We do not warrant any item) We are not required to provide in-person assistance to You If You feel additional assistance is necessary (such as management training), We will provide such assistance to You based on advance notice, availability of personnel and Your payment of compensation at a rate of $300 per day, per person, or at such other rate as may be in effect at the time, plus the cost of food, travel and lodging incurred by Us In addition, We may provide You with such continuing advisory assistance in the operation of Your Franchise Business

7 1 5 Warranties The respective manufacturers may replace defective equipment, products or software and other items purchased pursuant to the standard limited warranties of the manufacturer, and You agree to look to the manufacturer for any defective equipment, products or software We do not manufacture any equipment, products or software and do not warrant any item

7 1 6 Training We will train You in the various practices, policies and procedures of operation of Your Franchise Business in Our training program This training includes online classroom training, which will be at Your home or another location accessible to the internet Is also includes hands on training at one of our regional training locations as designated by Us We will attempt to schedule your hands on training at a regional location nearest to you, but this may not be possible due to scheduling conflicts You and Your manager, if separate from You, are required to attend the same training and successfully complete the training program prior to the opening of Your Franchise Business The length of training is generally nine to ten (9-10) days, but could be longer if You or Your designated manager fails to successfully complete the training You must begin operating Your franchise business within 30 days of successfully completing the initial training Successful completion will be determined by Our trainers but may include demonstrating knowledge of basic policies and procedures, services, job estimating, approved products, purchasing, measuring and restoration, trouble shooting, record keeping, computer software competency, marketing, marketing, and customer service Your training includes physically doing hands on work on jobs You must be able to perform such work and understand that You will not receive compensation for any such work You provide The training instruction is provided by Us without charge to You for up to two (2) management and/or executive level persons, however, You must bear Your own travel, lodging, meals and all other living costs and expenses and salaries as well as those of Your employees at the training session Each person must attend the same training session Additional persons to be trained will be at a cost of two hundred fifty dollars ($250) per person per day plus all expenses If You do not pass the initial training, as determined by Us, You may receive a refund as described in paragraph 5 1 1 above You must also attend and participate in monthly on-going training/support sessions with your assigned franchise support specialist for the first three months you are open We may require You to attend on-going training/support sessions for the duration of your franchise agreement, at our discretion Monthly on-going training/support sessions will be held via phone, web conferencing or teleconference at agreed upon dates and times These meetings should require approximately one hour monthly

7 1 7 New Manager Training We may provide training for Your new managers as required by Us at Our then current fee Our current fee for such additional training at Our facility is two hundred fifty dollars ($250) per person per day to be trained You must also bear the costs of travel, food, lodging and salaries of Your employees in connection with this training If required, Your new manager must be trained and certified within sixty (60) days of hire

7 1 8 Inspections We may conduct periodic evaluations and inspections of Your Franchise Business at reasonable intervals by Our duly authorized representative for compliance with the System, customer service and the standards and procedures set forth in the Manuals Our inspections may Include Your Premises, vehicles, business records, operating procedures and reports, Including all computer drives and electronic storage devices, POS system, reports, account records and tax records Upon Our request and at all reasonable times, You will provide to Us (electronically or CD at Our election) digital video and/or images of the interior and exterior of Your Premises and business vehicles as set forth in the Manuals We may provide You written reports with any suggested changes or improvements for the operation or management of Your Franchise Business or detail any defaults in operations which become evident as a result of any such evaluation or inspection Fines and

charges may be assessed for failure to meet Our evaluation or inspection standards in accordance with Our Manuals for such defaults, plus Our costs, or termination of this Agreement if a non-curable default is discovered, in Our sole discretion Additional guidance, at Our sole discretion, will be furnished in the form of written Manuals, bulletins or other written materials, telephone consultations and/or consultations at Our offices or at Your Franchise Business in conjunction with an inspection of Your Franchise Business We have the right to communicate directly with Your manager and assistant manager concerning all matters of an operational nature

7 1 9 Trade Show We will, upon request, provide You with a backdrop signage, table skirt, one The Grout Doctor® lab coats and advisory assistance for trade show booths at trade shows You must pay Us shipping and handling fees for these items We reserve the right to require a refundable deposit for these items It is Your sole responsibility to replace or pay Us for replacement of any damaged or missing Items

ARTICLE VIII
PURCHASE OF PRODUCTS

8 1 Approved Products and Services You agree to carry, stock and provide only those products, goods and services that meet Our specifications and/or that are purchased from approved suppliers in accordance with Our Manuals You agree to promptly add, remove or modify any such product or service upon notice from Us You are prohibited from selling, leasing or offering any products or services not authorized by Us in writing

8 2 Your Purchases We or Our affiliates may derive revenue from the sale through mark-ups in prices We charge to You for goods and supplies purchased from Us or We may receive compensation or discounts from the supplier for Your purchase of such items You agree that We Our affiliates shall be individually and collectively entitled to such fees and/or other consideration or both Any monies paid to Us for goods or services are non-refundable

8 3 Unapproved Suppliers or Products If You desire to purchase or sell any items from an unapproved supplier, You must submit to Us a written request for such approval or request the supplier itself to do so We may require You to submit samples, ingredient lists and other data to permit Us to ascertain whether any such items meet Our specifications There is no refund of this testing fee whether or not the requested supplier, vendor or product is approved We will notify You in writing and within a reasonable time as to whether such product, item, equipment or supplies meets Our specifications You will be required to pay a testing fee of not less than $500 to cover Our reasonable costs and expenses of testing, whether or not the requested supplier, vendor, or product is approved This fee is not refundable whether or not the requested supplier, vendor or product is approved A supplier who is able to provide products, equipment, and/or supplies meeting Our specifications may, as determined in Our sole discretion, become an approved supplier for Your Franchise Business only or for the System as a whole We may, from time to time, make changes or alterations in the standards and specifications for the above items and approved suppliers Should We approve a new item, the rights in, and title to, such items will become Our property At Our discretion, We may revoke Our approval of an approved supplier upon thirty (30) days written notice to You

8 3 1 A new supplier must have the ability to produce the products, services, supplies or equipment to meet both our standards and specifications for quality and uniformity, production and delivery capabilities and ability to meet supply commitments, integrity of ownership (to insure that its

association with ours will not be inconsistent with the Grout Doctor® image or cause damage to the Grout Doctor® goodwill), financial stability, and the negotiation of a mutually satisfactory license to protect Our intellectual property

ARTICLE IX
MANUALS

9 1 Manuals We will loan You a copy of or allow electronic access to the proprietary and confidential Manuals You may not copy any part of the Manuals either physically or electronically The Manuals are confidential and remain Our property We have the right to update, modify and otherwise change the Manuals at Our sole discretion in order to maintain the goodwill associated with the System and the Marks You will promptly and continuously comply, at Your expense, with all provisions of, and modifications or changes to the Manuals

9 1 1 Modification You will promptly and continuously comply, at Your expense, with all provisions of, and modifications or changes to the Manuals

9 2 Standards and Procedures We may establish, from time to time, performance procedures, standards and specifications for the operation of Your Franchise Business and the products and services provided We may change or update these procedures, standards and specifications at Our discretion You must strictly follow these procedures, standards and specifications Failure to do so is grounds for termination of this Agreement

ARTICLE X
MARKETING

10 1 Marketing Fund At this time We do not have a marketing fund, but We reserve the right, in the future, to institute, maintain and administer a national marketing, marketing and development fund (referred to as the "Marketing Fund") for such marketing, marketing or public relations programs as We, in Our sole discretion, may deem necessary or appropriate to market and promote the Franchise System You understand that some franchisees may have different marketing fees or other obligations from those described in this Agreement

10 1 1 Marketing Fund Administration When implemented You will be required to contribute up to 3% of gross sales to the Marketing Fund We will direct all such programs, with sole discretion over 1) the creative concepts, materials, endorsements and media used in connection with such programs, 2) the source of the marketing or public relation efforts, 3) the placement and allocation of such programs, and 4) the composition of all geographic territories and market areas for the development and implementation of such programs The Marketing Fund can be operated through an entity separate from Us that has all rights and duties of Us relating to the Marketing Fund We do not have any obligation to ensure that expenditures are or will be used equally in each region or that they will be equivalent to contributions to the fund by other franchisees operating in any geographic area We will not be liable for any act or omission with respect to the Marketing Fund or otherwise which is consistent with this Agreement or which is done in subjective good faith

10 1 2 Marketing Fund Fees and Marketing The Marketing Fund may be used, in Our reasonable discretion, to reimburse Us for costs related to the administration of the Marketing Fund and any marketing, promotion and marketing efforts intended to benefit the System We may use the

Marketing Fund to offset a portion of direct costs to manage and maintain the Marketing Fund, Including the payment of staff salaries and other expenses for those employees who may be involved in Marketing Fund activities You will participate in all marketing programs instituted by the Marketing Fund or by Us We may receive payment for providing goods or services to the Marketing Fund The Marketing Fund is not in the nature of a trust, fiduciary relationship or similar special arrangement and We disclaim any such relationship We reserve the right to use fees from the Marketing Fund to place marketing in national or regional media (Including broadcast, print or other media) We are not required to spend any amount on marketing directly in Your area or Territory Funds may be used to solicit additional franchisees and to promote the brand Any unused marketing funds in any calendar year will be applied to the following years' fund You may request an unaudited annual report of marketing expenditures within ninety (90) days of the end of each year

10 1 3 Local Marketing Requirement You are required to market locally as set forth in Article V of this Agreement In addition and upon request, You must submit an itemized report to Us documenting proof of expenditures for local marketing in a form We may require

10 2 Marketing Cooperative At such time as We determine that there are a sufficient number of Grout Doctor® franchises in an Marketing Area (defined below), as designated by Us, We may form a local and/or regional marketing cooperative association covering such areas as We, in Our discretion, deem appropriate, and We may disburse such funds as We believe appropriate from the Marketing Fund to any such local and/or regional cooperative marketing associations for local and/or regional marketing You agree to participate in any marketing co-op as established The required contribution amount is listed in Article V of this Agreement Once established, We will provide the governing documents and make them available to all franchisees within the cooperative area Upon the formation of a local or regional cooperative marketing association, You shall automatically be deemed to be a member of such association as covers the area in which Your Franchise Business is located and will be bound by any decisions made by such association upon a majority rule by members voting Voting will be on the basis of one vote per franchise unit in good standing in such association All franchisees and company and affiliate owned units, if any, within the Marketing Area will be required to join and contribute to the fund on the same basis or rate The cost of marketing and promotional programs will be allocated among the members in the Marketing Area and each member will contribute equally to the local co-op fund based on a per franchise unit basis in the Marketing Area "Marketing Area" is defined as a market with two (2) or more units in the same television, radio or newspaper market, as determined by Us We have the power to require cooperatives to be formed, changed, dissolved or merged at any time In addition, and upon Our request, You must submit an itemized report to Us documenting proof of expenditures for local marketing in a form We may require We reserve the right to increase the minimum local marketing requirement if We determine, in Our sole discretion, that to do so will be in the best interest of the System

10 3 Sample Marketing Upon Your reasonable request We will provide You samples of marketing and promotional materials developed by Us from time to time

10 4 Promotional Materials We may, at Our discretion and as available from time to time, send to You, promotional materials and bulletins, developed by Us or on Our behalf, new marketing developments and new or improved marketing techniques and which You agree to use in Your Franchise Business

10 5 Approval of Marketing You may develop marketing and promotional materials for Your use at Your cost All such materials must be approved by Us in advance and in writing in accordance with Our Manuals Marketing that has been submitted by verified receipt or submission will be deemed approved if You do not receive written approval or disapproval within ten (10) business days Any marketing You create or use becomes Our property and is considered a Works-for-Hire, and can be used by Us or other franchisees without compensation to You and may be made available on Our website We have the right to disapprove previously approved marketing material at any time

10 5 1 Marketing Compliance You agree that Your marketing and promotional activities must be done in strict compliance with Our Manuals and in good taste and must reflect favorably upon Us and the Franchise System You agree to submit to Us, prior to publication, copies of all marketing, promotional and public relations materials, proposed to be used by You, Including any use of the Internet, or other electronic or Social Media along with a description of how it will be used, by what media published and such other information thereon as may be reasonably requested by Us All use of the Internet, or other electronic or Social Media by You in connection with Your Franchise Business will be specified by Us from time to time and We can prohibit or condition any use by You of the Internet, or other electronic or social media in Our discretion

10 6 Internet and Social Media You may not create a website, Social Media, site or engage in marketing on the Internet, including posting items on third party re-sell or auction style websites, Including eBay®, Craigslist, or Amazon com, without Our prior written permission If You receive permission from Us for Your own website or Social Media site from Us, all content placed on the site must be pre-approved by Us, in writing, and You may be required to use Our website designers to create the site for a fee You may be allowed to place pre-approved information concerning Your Franchise Business on Our website and Social Media sites, as developed by Us You are required to provide Us all usernames, passwords and account information and any other information related to any of Your websites and Social Media Site accounts immediately upon our request You must strictly comply with the policies and procedures established by Us regarding websites, Social Media, and Internet marketing Failure to comply with Our policies and procedures is considered a breach of this Agreement

10 7 Your Obligations to Market We will work together to develop plans for growth, capturing market share and name recognition Neither We nor You are restricted from marketing Your Franchise Business in the Territory You may market only in Your Territory, and may use in Your marketing, only the telephone number designated by Us It will be a material breach of this Agreement in the event You conduct any marketing using any other telephone number Except for the rights expressly given to You there will be no limitation on Our rights to deal with potential or actual customers located anywhere

10 8 Group Marketing You shall, if requested by Us, list separately or participate in a listing in the Yellow Pages of Your local telephone directory containing the copy as may reasonably be specified by Us The cost of this listing shall be paid by You, or by You and other participating franchisees in the case of a joint listing

ARTICLE XI
BREACH AND TERMINATION

11 1 Default and Termination We may terminate this Agreement before the expiration of its term if You breach or violate and fail to cure (if curable) any material term, condition or provision of this Agreement in any respect or default in the performance or fulfillment of any material term or provision of this Agreement, Including those breaches set forth herein below Paragraphs 11 1A-N provide specified cure periods for certain breaches or defaults, while Paragraphs 11 1O-BB list non-curable breaches or defaults

5-Day Cure Period

A Failure to Pay You fail to pay for any product, service, or any franchise fee, royalty fee, purchase price, marketing fee, transfer fee, Successor Franchise fee or any other fee or amounts due to Us, any of Our affiliates, or other designated, approved or other suppliers or assigns, within the time period specified for such payments by this Agreement, the Manuals or an agreement specifying the payment concerned Failure to notify Us in writing, within a reasonable time period (10 days) prior to the due date of any fees, of any change in the Operating Account is a default of this Agreement

B Failure to Accurately Report You fail to accurately report Your Gross Sales or fail to submit any reports or records required under this Agreement or the Manuals

30-Day Cure Period

C Failure to Open or File DBA You fail to open Your Franchise Business and commence operations within ninety (90) days of the date hereof or otherwise forfeit the right to transact Your Franchise Business or You fail to register the DBA or similar filing in the time period required under this Agreement

D Non-Compliance You fail or refuse to maintain and operate Your Franchise Business in a good, clean and professional manner and in compliance with the System and Operations Manual, Our other Manuals or the standards of quality or uniformity otherwise prescribed by Us This default includes, Your use of unauthorized phone numbers in connection with Your Franchise Business and Your failure to use the proscribed software

E Sale of Unauthorized Products/Services You sell or use products, goods or services other than those approved or designated by Us or which fail to conform to the System and specifications or which are not in accordance with the methods or specifications prescribed by Us or You fail to sell the products and services designated by Us

F Failure to Transfer Your heirs fail to affect an approved transfer within a reasonable time (not more than one hundred and sixty (160) days) following Your death or permanent incapacity (See Section 14 10)

G Failure to Allow Inspection You deny Us the right to conduct an audit of Your books and records, or to inspect Your Office Location or operations, or You fail to correct deficiencies noted by Us or otherwise fail to comply with any provision of Manuals

H Non-Promotion of Business You fail to use Your best efforts in promoting and developing Your Franchise Business, You fail to market as required under this Agreement, You fail to participate in an marketing cooperative when established by Us in Your area, or You fail to employ adequate personnel to operate Your Franchise Business at maximum capacity and efficiency

I Insurance You fail to maintain insurance as provided herein

J Violation of Laws You fail to comply with any material federal, state or local law or regulation applicable to the operation of Your Franchise Business or fail to pay when due, obligations of taxing authorities, landlords, and other obligations of Your Franchise Business

K Unauthorized Closure Your Franchise Business is closed for a period of ten (10) or more consecutive days without Our prior written approval, which consent will not be unreasonably withheld or delayed, or You move the location of Your Franchise Business Office Location without Our prior written approval

L Default Notice of Lease Agreement You receive a notice of default under the lease agreement of the Office Location

M Failure to Complete Training You or Your designated manager fail to complete the initial training

N Other Breaches Except as provided below, You fail to comply with any other provision of this Agreement or the Manuals

No-Cure Period

O Insolvency You become insolvent or commit an act of bankruptcy or make a general assignment for the benefit of creditors, or to an agent authorized to liquidate Your property or assets, or become or are adjudicated bankrupt, or voluntarily file a petition in bankruptcy or for reorganization

P Unauthorized Duplication You duplicate the System or use the System or any part thereof in connection with any other business

Q Repeated Breaches You repeatedly breach (defined as three (3) or more times) the same or different conditions of this Agreement or the Manuals within any twelve (12) month period)

R Unauthorized Use of Marks You use any Mark or other proprietary or property right, either tangible or intangible, granted by this Agreement other than in connection with the operation of Your Franchise Business

Q Public Safety Your maintenance or operation of Your Franchise Business results in a threat or danger to public health or safety

T Misrepresentations You make any material misrepresentations relating to the acquisition of the Franchise Business or You engage in conduct which reflects materially upon the operations and/or reputation of Your Franchise Business or the System in an adverse manner

U Abandonment You abandon Your Franchise Business

V Unauthorized Transfer You attempt to Transfer (as defined in Article XVI below) all or any part of this Agreement, Your Franchise Business, or any material portion of the property associated with Your Franchise Business, or You attempt to purport to sublicense to another any of the rights, property licensed to You hereunder, or You otherwise fail, refuse or neglect to obtain Our prior written consent or approval required hereunder

W False Reporting You knowingly or intentionally conceal revenues, maintain false books, or records or submit any false report or payment or otherwise defraud Us

X Crimes You or any of Your owners, officers, directors, members, managers or principals commits or is convicted of or pleads guilty or no contest to, a felony, a crime involving moral turpitude or any other crime, offense or behavior that We believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith or Our interest therein You or Your owners, officers, directors, members, managers or principals make disparaging remarks against Us, Our parent, subsidiaries, predecessors or affiliates, Our management, Our employees, the System, or the Grout Doctor® brand to Our other franchisees or in a public forum, Including radio, television, newspapers, the Internet, and Social Media Sites Any such behavior will be damaging to Our System and goodwill and will be a material breach of this Agreement

Y Unauthorized Competition You fail to comply with the covenant not to compete during the term of this Agreement or intentionally or recklessly disclose or use the contents of the Manuals, trade secrets or confidential or proprietary information provided to You by Us in violation of this Agreement You hire or attempt to hire any employee of Ours or any of Our franchisees without written permission

Z Default of Lease Agreement Your lease agreement for the Office Location is terminated

AA Illegal Drug Use/Intoxication on the Job You or Your officers, directors, members, managers or principals use illegal drugs or abuse prescription medication or refuse to submit to a drug test Additionally, You go to a job or provide services while intoxicated whether by use of illegal or legal drugs

BB Unauthorized Modification You modify in any degree by adding to or taking from or changing the contents of any formulas, or other proprietary items as well as using any substitute products or procedures in violation of the Manuals or this Agreement

11 1 1 Adequate Assurance When reasonable grounds for insecurity arise with respect to the performance of Your obligations under this Agreement, We may in writing demand adequate assurance of due performance and, until We receive such assurance, We may reasonably suspend any performance of Our obligations Failure to provide Us with adequate assurances within thirty (30)

days, when properly demanded, will be considered a default of this Agreement for which no additional cure period will be granted

11 2 Event of Default In the event of any default by You, We shall give You written notice of default specifying the default(s) and, if curable, state what You must do to cure the specific default(s) within the cure period

11 2 1 5-Day Curable Defaults If the default is curable as set forth in 11 1A or B above, You must cure all such defaults within five (5) days from the date of notice of default, or

11 2 2 30-Day Curable Defaults If the default is curable as set forth in 11 1 C-N above, You must cure all such defaults within thirty (30) days from the date of notice of default, or

11 2 3 No Cure Period Defaults If the default is one which is incapable of cure as set forth in 11 1 O-BB above, termination is effective as of the date of the notice of default

11 2 4 Notwithstanding anything to the contrary herein, We have the right, to be exercised in Our sole discretion, to grant You an extended period of time to cure Any such extension shall not be construed as a waiver of Our rights in the future

11 3 Failure to Cure Upon Your failure to cure any default within the time period specified in Paragraphs 11 2 1 and11 2 2 above, or if You commit a non-curable default as specified in 11 2 3 above, We may proceed to enforce any or all of the following non-exclusive remedies in accordance with this Agreement and the pursuit of any one remedy will not be deemed an election or waiver by Us to pursue additional remedies

11 3 1 Actionable Claim Bring an action or claim for the balance of any monies due hereunder, Including penalties and interest as provided for in this Agreement and for all other damages sustained by Us as a result of Your breach of this Agreement As part of any such action, We may accelerate the balance of any outstanding installment obligation due hereunder and bring an action for the entire accelerated balance

11 3 2 Injunctive Relief Bring an action for temporary or permanent injunctions and orders of specific performance enforcing the provisions of this Agreement and otherwise stop You from engaging in actions prohibited hereby, Including (1) improper use of the Marks or System, (2) unauthorized assignment of this Agreement, (3) violation of the covenant not to compete, and/or (4) Your failure to meet or perform Your obligations upon termination or expiration of this Agreement If We secure an injunction or order of specific performance, You will pay all reasonable costs incurred by Us in obtaining the injunction, Including reasonable attorney's fees

11 3 3 Termination Terminate this Agreement and proceed to enforce Our rights under the appropriate provisions Such termination will be effective upon delivery of a notice of termination to You without further action by Us

11 3 4 Other Remedies Seek any other remedy available to Us at law or in equity

11 3 5 Cross Default In Our sole discretion, We may terminate any other agreement You or a related entity have with Us

11 4 No Right of Termination You may not terminate this Agreement

11 5 Opportunity to Cure Prior to taking any action against Us, You agree to first give Us sixty (60) days prior written notice and an opportunity to cure any alleged act or omission If such act or omission cannot be cured within such sixty (60) day period, and We are diligently continuing efforts to attempt to cure such alleged act or omission, You will give Us such additional time as is reasonably necessary to cure

ARTICLE XII
TERMINATION AND EXPIRATION

12 1 Upon termination or expiration of this Agreement for any reason, or non-granting of a Successor Franchise, You will immediately cease to be a franchisee of this Agreement for any reason, and must

12 1 1 Payments Due Immediately pay for all product purchases, royalty and marketing fees and other charges, fees and obligations owed or accrued to Us, Our affiliates or designated suppliers In addition, You will be required to pay Us any post-term expenses, Including attorney fees and costs to enforce Your post-term obligations

12 1 2 Cease Use Not hold Yourself out as a Grout Doctor® franchisee or business and immediately comply with the following permanently and immediately cease to market or in any way use the System, Intellectual Property, materials, methods, procedures, processes and other commercial property and symbols, or promotional materials provided by or licensed to You by Us or in any way connected with the Franchise Business or System

12 1 3 Disassociation Take all necessary steps to disassociate Yourself from the System and Your Franchise Business, Including the removal of signs, destruction of letterheads, changing of telephone listings, telephone numbers, Internet sites and web pages and the like and to assign and transfer the telephone listing, telephone numbers, e-mail addresses, URL's, home and other web pages and Social Media pages to Us If You fail or refuse to do so, the telephone company, URL and hosting companies, and other listing agencies may accept this Agreement as evidence of Our exclusive rights in and to such telephone number(s), Internet websites, URL's, and Social Media pages and listing and its authority to direct their transfer You hereby appoint Us as Your attorney-in-fact for the above transfers

12 1 4 Cancel DBA Take such action as will be necessary to amend or cancel any assumed name, fictitious or business name or equivalent registration, which contains any Mark of Ours or in any way identifies You as being affiliated with Our System

12 1 5 Notify Suppliers Immediately notify all suppliers, utilities, creditors and concerned others that You are no longer affiliated with Us or the System and provide proof to Us of such notification You covenant not to use any of Our trade secrets or confidential or proprietary information or materials following the termination of this Agreement and not to identify any present or future business owned or operated by You as having been in any way associated with Us or the System

12 1 6 Return Materials Return to Us by first class prepaid United States Mail, (Including originals and any copies) Our Manuals, all training, marketing and promotional aids and materials and all other printed materials and any other confidential information obtained by You from Us pertaining to the operation of Your Franchise Business

12 1 7 Modification of Vehicle You will, at Your expense, alter, modify and change both the exterior and interior appearance of Your vehicle, to Our satisfaction, so that it will be easily distinguished from the standard or common appearance of a Grout Doctor® vehicle and will cease using the signs, displays, advertisements, promotional materials and the like that are unique or distinctive to the System

12 1 8 Pay Damages Pay to Us all costs, damages and expenses, Including reasonable attorney's fees incurred by Us in obtaining injunctive or other relief to enforce any provision of this Agreement

12 1 9 Proprietary Information Cease using or availing Yourself of any of Our proprietary or confidential information, software, hardware or other proprietary technology

12 1 10 General Release Execute a general release by You and Your guarantors

12 1 11 Customer Data and Information You will turn over to Us, or Our designee a complete list of the names, addresses and telephone numbers of all of Your customers from the date Your Office Location was opened to the date of expiration or termination, together with Your customer record file You shall give Us a list of all telephone numbers, facsimile numbers, and all extensions utilized by the business and within 30 days of receipt of this list We shall notify You of Our election to either have said telephone numbers and service canceled or have it, or any part of it, transferred to Us or Our designee You shall take whatever steps are necessary to immediately comply with Our election Costs associated with a transfer of the service to Us shall be paid by You You will turn over to Us, or Our designee, a complete list of the names and addresses of all persons employed by You during the three years immediately preceding termination or expiration, together with a copy of their employment files

12 1 12 Evidence of Compliance Furnish evidence satisfactory to Us of compliance with this Article within thirty (30) calendar days after the termination or expiration of this Agreement or the non-granting of a Successor Franchise Agreement

12 2 Upon termination or expiration of this Agreement or the non-granting of a Successor Franchise Agreement for any reason

12 2 1 No Compensation No payment is due to You from any source on account of any goodwill, intangible assets or other equity claimed by You arising from Your operation or ownership of Your Franchise Business, or otherwise All goodwill connected in any way with Your Franchise Business or the System belongs now and in the future exclusively to Us

12 2 2 No Refund No fees, charges, royalties, marketing fees or other payments of any kind from You to Us are refundable in whole or in part

12 2 3 No Equity You will have no equity or other continuing rights to use the System, Intellectual Property or goodwill associated with the Franchise Business

12 3 Survival of Provisions All of the provisions of this Agreement, which by their terms or implication apply following the expiration, transfer or termination of this Agreement, will survive and will apply following expiration, transfer or termination of this Agreement, Including Your obligation to pay all amounts owed and You will continue to observe the confidentiality, non-competition and other restrictions of this Agreement and the provisions with respect to arbitration and dispute avoidance

12 4 Our Rights If You continue to operate Your Franchise Business or any business offering similar products and services, after transfer, repurchase, termination, non-granting of Successor Franchise Agreement or expiration of this Agreement, using any of the Marks, Intellectual Property or any aspect of the System, Our remedies will Include recovery of the greater of (a) all profits earned by You in the operation of Your business or similar business after such transfer, repurchase, termination or expiration, or (b) all royalties, marketing contributions and other amounts which would have been due if such transfer, repurchase, Successor Franchise, termination or expiration had not occurred

ARTICLE XIII
PURCHASE OPTION

13 1 Purchase Option Upon expiration or termination of this Agreement, You hereby grant to Us the right to

13 1 1 Acquisition of Assets Acquire, in Our sole discretion, all or any part of Your inventory, equipment, signs and accessories and other personal property relating to Your Franchise Business at the then existing fair market value of such item or items as of the date of expiration, non-granting of a Successor Franchise or termination of this Agreement If the fair market value is not agreed to by the parties, the fair market value will be established by an independent appraisal The appraisal shall be done at Our expense by an appraiser selected by Us No goodwill shall be considered associated with Your Franchise Business or said items We must exercise this option within sixty (60) days of such expiration or termination ("Option Period") by giving written notice to You of Our intent to exercise Our option to purchase We have the right to use Your assets and Premises during Our option and in such case, We will pay You the fair market value of such use Unless otherwise agreed by You, the purchase price as determined hereunder must be paid in cash within the Option Period If We have not notified You of Our election to exercise this option within the Option Period it shall be conclusively presumed that We have elected not to exercise Our option and You are then free to sell or transfer such assets to any person or entity on such terms as You may so choose

13 1 2 Warranties The purchase contract for such assets and contracts, as set forth in Paragraph 13 1 1 above, will Include standard representations, warranties, covenants and indemnities from You as to the assets and contracts being purchased, Including warranties of good title, absence of liens, compliance with laws, absence of defaults under contracts, litigation and tax compliance

13 2 No Goodwill We have no obligation to pay for goodwill or other intangible assets or costs of Your Franchise Business

ARTICLE XIV
SALES OR TRANSFERS OF THE FRANCHISE

14 1 Our Right of Assignment This Agreement and all rights and obligations hereunder are fully assignable and transferable, whether in part or whole, by Us, and if so assigned or transferred, will be binding upon and inure to the benefit of Our successors and assigns We may be sold or We may sell any or all of Our Intellectual Property or other assets (including the Marks) to a competitive or other entity In addition, We may go public, may engage in a private or other placement of some or all of Our securities, may merge, acquire other entities or assets which may be competitive with the Franchise System or not, be acquired by a competitive or other entity, and may undertake any refinancing, leveraged buy-out or other transaction You waive all claims, demands and damages with respect to any transaction or otherwise allowed under this Section or otherwise You will fully cooperate with any such proposal, merger, acquisition, conversion, sale or financing

14 2 No Assignment by You without Approval This Agreement is personal as to You, and is being entered into in reliance upon and in consideration of Your qualifications and representations Therefore, neither this Agreement nor any of its rights or privileges, nor any shares or units in the ownership of Your entity or Your Franchise Business may be Transferred (as defined below), or divided in any manner by You or anyone else unless Our prior written approval is obtained You will provide Us with all documentation relating to the Transfer of Your Franchise Business Said approval will not be unreasonably withheld, but may be conditioned upon Our satisfaction with the character, business experience and credit rating of the proposed transferee and its partners, members or officers and controlling stockholders, if it is a partnership, corporation or limited liability company The term "Transfer" as used in this Article XIV and elsewhere where capitalized Includes any direct or indirect assignment, transfer, division, trade, sale, gift, pledge, mortgage or granting of any security interest

14 2 1 Transfers to Competitors Prohibited In order to maintain the confidentiality of the proprietary information of the System, You agree that as a condition to becoming Our Franchisee, You cannot Transfer any part of this Franchise Agreement or any part Your entity, if applicable, to a competitor of Ours or an affiliate of a competitor of Ours without Our written permission Any such Transfer without Our explicit written approval will be considered void ab initio

14 3 Qualifications of Transferee In determining the acceptability of the proposed transferee, We will consider, among other things, Our then-current standards for new franchisees, including the net worth, credit worthiness, background, training, personality, reputation, and business experience of the proposed transferee, the terms and conditions of the Transfer and any circumstances that would make the Transfer not in the best interests of Us or the Franchise System Including the proposed purchase price We may meet and candidly discuss all matters relating to Your Franchise Business with the potential transferee In no case will You or a proposed transferee rely on Us to review or evaluate any proposed Transfer Neither We nor Our affiliates will be liable to You or the transferee or any other person or entity relating to the Transfer and You agree to indemnify and hold Us harmless from any liability whatsoever relating thereto

14 4 Application for Transfer Upon any proposed Transfer of this Agreement, or any interest in it, You agree to submit to Us an application in the form specified by Us on behalf of the proposed transferee

14 5 Transfer Fee As a condition of Our approving the Transfer of this Agreement or Your Franchise Business, You agree to pay to Us a Transfer fee of three thousand five hundred dollars ($3,500) The transfer fee is non-refundable, and is only payable at the time of the approved Transfer

14 6 Permitted Transfers If a proposed Transfer is only among existing shareholders or members of a corporation or limited liability company franchisee, or among existing partners of a partnership franchisee, or by an individual or partnership franchisee to a corporation or limited liability company controlled and owned not less than sixty percent (60%) by You, Including Your current owners, there will be no transfer fee and, We will not be entitled to exercise Our right of first refusal Each ownership certificate of a corporation or limited liability company franchisee must have endorsed upon its face that the Transfer thereof is subject to the restrictions of this Agreement Any new owner with an ownership interest of five percent (5%) or more in Your Franchise Business or Your entity must personally guarantee the obligations of this Agreement

14 7 Involuntary Transfers Void Involuntary Transfers of this Agreement by You, such as by legal process, are not permitted, are not binding on Us, and are grounds for termination of this Agreement You agree that using this Agreement as security for a loan, or otherwise encumbering this Agreement is prohibited, unless We specifically consent to any such action in writing prior to the proposed transaction You agree not to purport to grant a sub-franchise under this Agreement nor to otherwise seek to license or permit others to use this Agreement or any of the rights derived by You under it Any attempt to Transfer this Agreement or Your Franchise Business in whole or in part, or any material portion or property used by You in connection herewith, whether or not binding on Us, will be grounds for the immediate termination of this Agreement, unless such Transfer is authorized in writing by Us

14 8 Conditions of Transfer Prior to the effective date of Transfer of this Agreement or Your Franchise Business and as a condition for Our approval of any Transfer, You agree as follows

14 8 1 Compliance You must be in full compliance with this Agreement and not be in default hereunder All accounts payable and other monetary obligations to Us or Our affiliates or subsidiaries must be paid in full You must have submitted all required reports, financial statements and other documents

14 8 2 Written Proposal The terms and conditions of the proposed Transfer must be provided in writing to Us within the time frames specified by Us The price and other proposed terms of the Transfer must not, in Our reasonable business judgment, have the effect of negatively impacting the future viability of the Franchise Business

14 8 3 Assumption of Obligations All Your obligations in connection with Your Franchise Business must be assumed by the transferee

14 8 4 New Franchise Agreement The transferee must sign the then-current form of the Franchise Agreement and fully upgrade the Franchise Business and Office Location to the level required of new franchisees

14 8 5 Payment for Training The transferee must pay for and complete the training program required of new franchisees The cost of such training shall be at Our standard rate for training new managers, plus the cost of travel, food and lodging for the trainers

14 8 6 Transfer Fee You must pay the transfer fee set forth in Section 14 5

14 8 7 General Release You and each of Your owners must execute a general release to releasing Us of any claims You may have against Us

14 8 8 Receipt of FDD The transferee must sign a document stating that it has received a copy of the franchise disclosure documents at least fourteen (14) days prior to closing and that We have made no representations, promises, or covenants concerning the past or future success of the franchise

14 8 9 Survival of Covenants Your non-competition, indemnity and confidentiality obligations and the provisions relating to dispute resolutions will survive any transfer

14 9 First Right of Refusal

14 9 1 Right of First Refusal You hereby grant to Us the right of first refusal to purchase Your assets, this Agreement, the Franchise Business or Your ownership interest in Your entity ("Assets") on such terms and conditions specified in a bona fide written offer from a third party, who would satisfy the criteria for approval under Section 14 3 other than a Transfer to an entity controlled and owned at least sixty percent (60%) by You You agree to notify Us in writing of the terms and conditions of the Transfer, Including the Assets proposed to be transferred, the purchase price or other consideration, any creditor financing terms being extended by You, the date of the proposed Transfer, and all other pertinent provisions of the proposed sale or transfer In addition, a copy of any contract, agreement, memorandum of sale, deposit receipt, letter of intent and the like, must also be forwarded to Us as soon as it is signed by You Following receipt of all pertinent data and documents concerning the proposed Transfer, Including any additional data concerning the transaction requested by Us from You, We will have sixty (60) days in which to advise You in writing of Our election to have the Assets Transferred, assigned to Us on the terms and conditions agreed to by the prospective transferee Should We elect to purchase the Assets proposed to be transferred pursuant to Our right of first refusal, You and We agree to cooperate to accomplish the transfer as set forth in the provisions submitted to Us by You, provided that the date for the completion of the transfer can be extended at Our option for up to thirty (30) days beyond the date originally indicated for the completion of the transfer in order to allow the completion of the transaction in a manner more convenient to Us If You are a corporation or limited liability company, then the above right of first refusal provisions will apply to the transfer of control or forty percent (40%) or more of the shares of the corporation, or ownership or membership interest in the limited liability company from how they are currently owned If Your Franchise Business is not sold to such third party within three (3) months after We elect not to purchase the Assets, You must re-offer the Assets to Us before You may Transfer to a third party We have no obligation to purchase Your Assets

14 9 2 Non-Election of Rights If We do not elect to purchase the Assets proposed to be Transferred, You may complete the proposed Transfer on the terms and conditions set forth in Your notice to Us subject to Our right to approve the proposed transferee and the terms and conditions set forth under Section 14 8 above However, if there are any material changes in the terms and conditions of the proposed Transfer after You notify Us of the proposed transfer, including any changes in the terms and conditions occurring after We notify You of Our election not to purchase the Assets pursuant to Our right of first refusal, and any of those changes are less favorable to You, You agree to

notify Us of the changes in writing and We will have an additional ten (10) days within which to elect to purchase the Assets proposed to be Transferred on the revised terms and conditions If the proposed Transfer is not completed for any reason after We elect not to purchase the Assets being Transferred, a new right of first refusal commences as to any subsequent proposed Transfers by You

14 10 Death or Incapacity In the event of the death or incapacity of an individual franchisee or general partner or manager of an entity franchise (the term "incapacity" means any physical or mental infirmity that prevents the person from performing his or her obligations under this Agreement (i) for a period of sixty (60) or more consecutive days, or (ii) for one hundred (100) days during a calendar year), the heirs or personal representative will have the right to continue Your Franchise Business, provided that within a reasonable time (not more than one hundred and sixty (160) days) after such death or incapacity (or such longer period required by the laws of the state where Your Franchise Business is located) the heirs appoint a representative to act in behalf of the heirs in all matters pertaining to Your Franchise Business as provided for new managers and franchisees, Including the requirements to have the representative trained and accepted by Us in accordance with Our standards The heirs or personal representatives, instead of operating Your Franchise Business themselves under the foregoing procedures may choose to transfer Your Franchise Business If a decision to transfer is made, the transfer procedures explained above will apply If We run Your Franchise Business for a time due to Your death, incapacity, unexcused absence or as otherwise allowed under this Agreement, We will charge an operation fee of ten percent (10%) of Your Gross Sales, plus Our costs of travel, food and lodging In addition, You will continue to pay all royalties, marketing fees and other fees due under this Agreement

14 11 Assumption of Obligations The parties agree that in the event a court of competent jurisdiction orders You to Transfer to Your spouse or a third party all or any part of Your interest in this Agreement or Your franchisee entity, and/or in any property related thereto, such an order will constitute a Transfer of this Agreement and will cause the transferee to be subject to all of the terms and conditions concerning Transfers set forth herein above

14 12 Acquisitions If We receive an offer to acquire a majority of the Grout Doctor® franchises outstanding or to purchase a majority of Our assets or stock, or to merge or go public or similar transactions, We have the option, but not the obligation, to purchase all of Your rights and interests in and under this Agreement and Your Franchise Business at fair market value payable on terms as reasonably negotiated The purchase price will not include compensation for any renewal or Successor term or goodwill If the purchase option is exercised, You will execute a general release to Us We will close Our purchase within sixty (60) days after You receive notice of intention to exercise Our right or as soon thereafter as reasonably practical

ARTICLE XV
RELATIONSHIP OF THE PARTIES

15 1 Independent Contractors In all matters, You are an independent contractor Nothing in this Agreement or in the franchise relationship constitutes You as Our partner, agent, joint employer, or joint venturer with Us and this Agreement does not create a fiduciary relationship between You and Us Neither party is liable for the debts, liabilities, taxes, duties, obligations, defaults, compliance, intentional acts, wages, negligence, errors or omissions of the other You are responsible for the management and control of Your Franchise Business, Including its daily operations, managing and directing employees and sales persons and paying all costs and expenses of Your Franchise Business

The parties agree not to hold themselves out by action or inaction contrary to the foregoing and to indemnify each other for any liability, cost or expense Including attorney's fees, incurred by either of them for any act, omission, finding or result to the contrary None of Your employees will be deemed to be Our employee and each employee shall be so notified by You Neither party will act or have the authority to act as agent for the other and neither You nor We will guaranty the obligations of the other or in any way become obligated for the debts or expenses of the other unless agreed to in writing You agree to post promptly and maintain any signs or notices specified by Us or by applicable law indicating the status of the parties as described above

15 2 Indemnification You agree to defend, indemnify, and hold Us harmless from any and against any and all losses, liabilities, damages, costs and expenses whatsoever, Including reasonable attorney's fees arising out of or related to, or in any way connected with You or Your acts, errors or omissions in the operation of Your Franchise Business or Your Franchise Business generally and Including any allegation that You are Our employee, or that We are a joint employer or otherwise responsible for the acts or omissions relating to Your employees, and other laws regarding public accommodations for persons with disabilities We will have the right to defend any such claim against Us by employing counsel of Our choice, subject to full reimbursement of all legal fees by You We shall use Our reasonable efforts to cooperate with You in any litigation, judicial or administrative proceeding to avoid duplication of time, effort or expenditure to the greatest extent possible without compromising Our interest in such matter This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration, termination, or transfer of this Agreement

ARTICLE XVI
COVENANT NOT TO COMPETE

16 1 In Term Covenants You and We share in a common interest in avoiding situations where persons or companies who are or have been Grout Doctor® franchisees operate or otherwise become involved with a substantially similar competing business during or after the term of this Agreement During the term of this Agreement and for any extensions or Successor Franchises hereof, You agree that neither You nor Your family, will own, operate, lease, franchise, conduct, consult with, engage in, be connected with, have any interest in, or assist any person or entity engaged in or on its own account or as an employee, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership, or corporation engaged in any grout repair or restoration services or similar business or other business offering products or services the same as or substantially similar to Your Franchise Business or the System in any capacity or location, except with Our prior written consent You understand and acknowledge that to violate this Section will create irreparable harm to Us Your owners, members, directors, officers, managers and shareholders shall execute the standard Non-Disclosure and Non-Competition Agreement for Principals attached as Exhibit "A-3" and Your principal employees must execute Our Employee Confidential Information Non-Competition Agreement as attached hereto as Exhibit "A-4 " These non-competition agreement exhibits are incorporated by reference herein A copy of all such agreement must be promptly delivered to Us within one (1) week of execution We do not represent this form will be enforceable in Your state You agree, at Your expense, to have the non-competition agreements reviewed by legal counsel in the state where Your Franchise Business is located

16 2 Confidentiality You, agree that at no time, either during the term of this Agreement, any extensions or Successor Franchise hereof, or at any other time will or any of those over whom You have control make any unauthorized disclosure or use of Our Confidential Information We will

disclose the Confidential Information to You when rendering guidance and assistance to You under the terms of this Agreement, Including by way of example, furnishing the Manuals You acknowledge and agree that the Confidential Information is proprietary, involves Our trade secrets and is disclosed to You solely on the express condition that You agree not to use the Confidential Information in the operation of any other grout repair or restoration business or other business, to maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement, not to make any unauthorized copy, duplicate, record, or otherwise reproduce all or any portion of the Confidential Information disclosed in written form, to never contest the validity of Our exclusive ownership of and rights to the System or the Confidential Information, and to adopt and implement all reasonable procedures prescribed from time-to-time by Us to prevent unauthorized use or disclosure of the Confidential Information

16 3 Post Term Covenants Upon termination or expiration of this Agreement for any reason, or any Transfer, repurchase or termination of Your rights hereunder and for a continuous, uninterrupted period of two (2) years thereafter, neither You, nor Your family, will, directly or indirectly, participate as an owner, operator, shareholder, director, partner, consultant, agent, employee, advisor, officer, lessor, lessee, franchisor, franchisee or serve in any other capacity whatsoever or have any interest in or assist any person or entity in any business, firm, entity, partnership or company engaged in any sale or offering similar products or services, the same as or substantially similar to Your Franchise Business or the System in any capacity or location within Your Territory or within fifty (50) miles of Your Territory or the territory of any Grout Doctor® business operation at the time of Transfer, termination or expiration of this Agreement You will not divert or attempt to divert any business of or any customers of any Grout Doctor® business operations to any other competitive establishment, by direct or indirect inducement or otherwise

16 3 1 Tolling of Covenant In the event You violate the non-competition covenant during the period of non-competition set forth above, the non-compete time period will be extended for the period of Your competition plus an additional six (6) months

16 4 Non-Solicitation You agree not to employ or seek to induce any employee of or party under contract with Us, Our franchisees or Our subsidiaries or affiliated companies to leave his or her employment with Us or said entities during the term of this Agreement, or any Successor Franchise or extensions hereof and for a period of two (2) years after the termination of this Agreement or any Successor Franchise

16 5 Survival of Covenants The foregoing covenants will survive the termination or expiration of this Agreement and will apply regardless of whether this Agreement was terminated by lapse of time, by default of either party, or for any other reason

16 6 Acknowledgement of Harm You acknowledge that Your violation or breach of the covenants and provisions of this Article XVI is likely to cause substantial and irreparable harm to Us and the System You agree that the restrictions contained in this Agreement are reasonable and necessary for Our protection and the protection of other franchisees in the System

16 7 Modifications If any of the restrictions of this Article are determined to be unenforceable because of duration, scope or coverage or otherwise, they will be reduced to that level which provides the greatest restriction, but which is still enforceable You and We agree that such restrictions will be enforced to the fullest extent possible

16 8 Our Remedies If the post-term restrictions of this Article XVI are unenforceable or are reduced to a level which We, in Our reasonable business judgment, find unacceptable, We may, in addition to any other remedies available to Us, require You, for a period of two (2) years from the date of termination or expiration of this Agreement, to pay a fee of one-half (1/2) of the royalties and marketing fees which would be payable if the business in question was a Franchise Business

16 9 Enforceability You agree that the terms of the provisions of this Article XVI are fair and reasonable in light of the circumstances and were in part, based on the perceived or potential value of the System and the business relationship that You and/or Your entity has and will have with Us It is the desire and intent of the parties to this Agreement that the provisions of this Article XVI be enforced to the fullest extent permissible under applicable laws You understand and acknowledge that We have the right in Our sole discretion, to reduce the scope of any covenant set forth above or any portion thereof, without Your consent, effective immediately upon receipt by You of written notice thereof, which modified covenant will be fully enforceable notwithstanding any other provision of this Agreement

ARTICLE XVII
DISPUTE RESOLUTION

17 1 Quick Resolution You and We understand that there is always a possibility of differences of opinion or other disagreements in any business relationship and agree that it is important to resolve any disputes amicably, quickly, inexpensively and professionally and to return to business as soon as possible

17 2 Manner of Handling Disputes You and We agree that except as otherwise expressly provided for herein, in the event any controversy, dispute or claim whatsoever ("Dispute") shall arises between Us in connection with, arising from, or with respect to, any provision hereof, the relationship created herein, or the validity of this Agreement or any provision hereof, or the offer and sale to You, such Dispute will be

17 2 1 Face-to-Face Meeting First discussed in a face-to-face meeting between You and Us in Salt Lake City, Utah, or at Our then-current headquarters and within thirty (30) days after either You or We give written notice to the other proposing such a meeting We have the right, in Our sole discretion, to waive this requirement

17 2 2 Mediation If, in the opinion of either You or Us, the face-to-face meeting has not successfully resolved such matters and if desired by either You or Us, the matters will be submitted to non-binding mediation before Franchise Arbitration and Mediation Services ("FAM") or as otherwise mutually agreed The mediation shall be conducted exclusively in Salt Lake City, Utah On election by either party, arbitration as provided below may proceed forward at the same time as mediation The mediator will be disqualified as a witness, consultant, expert or counsel for any party with respect to the dispute and any related matters

17 2 3 Arbitration If in the opinion of either You or Us the mediation has not successfully resolved such matters, at the request of either You or Us, any Dispute will be submitted for arbitration to the offices of the American Arbitration Association in accordance with its commercial arbitration rules in effect All arbitration hearings must be conducted exclusively in Salt

Lake City, Utah The arbitrator will have the power and jurisdiction to decide such controversy or dispute solely in accordance with the express provisions of this Agreement The arbitrator will render a written opinion setting forth the facts found, law applied and reasons for the decision

(i) Arbitration Procedures In any arbitration the parties will be entitled to specific performance of the obligations under this Agreement The arbitrator may award or otherwise provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other pre-judgment, equitable and/or interim relief as appropriate pending final resolution by binding arbitration of a Dispute, as well as in connection with any such final resolution, and may issue summary orders disposing of all or part of a Dispute at any point Each party consents to the enforcement of such orders, injunctions, etc , by any court having jurisdiction Offers and/or other communications made in connection with, or related in any way to, mediation, possible settlement or other resolution of a Dispute will not be admitted into evidence or otherwise used in connection with any arbitration or other proceeding, and any arbitration award in violation of this provision will be vacated by the arbitration appeal panel (described below) and/or any court having jurisdiction The arbitrator will have the power to order compliance with such discovery procedures, as well as assess sanctions for non-compliance with any order Discovery will be controlled by the arbitrator and must be permitted to the extent set out in this Paragraph Each party may submit in writing to the other party, and the other party will respond, to a maximum of any combination of twenty-five (25) (none of which may have subplots) of the following interrogatories, demands to produce documents, and requests for admission You and We are also entitled to take the oral deposition of one individual of the other party Additional discovery may be permitted upon mutual agreement of the parties The arbitrator, and not a court, will decide any questions relating in any way to the parties' agreement or claimed agreement to arbitrate, Including a claim for fraud in the inducement or otherwise Each participant must submit or file any Dispute that would constitute a compulsory counterclaim (as defined by the applicable rule under the Federal Rules of Civil Procedure) within the same proceedings as the Dispute to which it relates Any such Dispute that is not submitted or filed in such proceedings will be forever barred The award and findings of the arbitrator will be conclusive and binding upon all parties hereto and the judgment upon the award may be entered in any Court of competent jurisdiction

(ii) Individual Disputes Any Dispute must be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or similar basis between You and Us and will not be consolidated with any other arbitration or court proceeding involving Us and any other person

(iii) Agreed Limitations Except for payments owed by one party to the other, or claims attributable to Your underreporting of sales, any legal action or arbitration proceeding (Including the offer and sale of a franchise to You) brought or instituted with respect to any Dispute hereunder must be brought or instituted within a period of one (1) year from the date upon which a party discovered, or should have discovered, the facts giving rise to an alleged claim, provided that no claim may be brought more than two (2) years after the first act or omission giving rise to an alleged claim

(iv) Limited Damages You and We waive any right or claim of any consequential, punitive or exemplary damages against each other and agree that in the event of a Dispute between You and Us, each will be limited to the recovery of actual damages sustained You agree that We will not be liable for any act or omission which is consistent with this Agreement or

which is done in subjective good faith If You bring an action for alleged wrongful termination of this Agreement and provided that the termination has not resulted in a closure of Your Franchise Business, Your sole remedy will be to be reinstated as a franchisee with no award of damages If the termination results in a closure of Your Franchise Business Your sole remedies will be to be reinstatement as a franchisee and to receive compensation for economic losses directly incurred by You as a result of such closure, conditioned upon Your duty to mitigate

(v) Exceptions to Arbitration You and We agree that nothing in this Agreement obligates Us to arbitrate or mediate Disputes or issues relating to (a) the validity of the Marks, or any trademarks, service marks or other Intellectual Property, (b) rights to obtain a writ of attachment or other prejudgment remedies, (c) rights to receive and enforce a temporary restraining order, preliminary injunction, permanent injunction or other equitable relief, or (d) Disputes solely for fees and other monies owed by one party to the other under this Agreement

(vi) Appeals If any party to an arbitration wishes to appeal any final award by an arbitrator (there will be no appeal of interim awards, or other interim relief), that party can appeal, within thirty (30) days of such final award, to a three (3) person arbitrator panel to be appointed by the same organization as conducted the arbitration to be held exclusively at the same location as specified above The issues on appeal will be limited to the proper application of the law to the facts found at the arbitration and will not include any trial *de novo* or other fact-finding function The party requesting such appeal must pay all costs and fees of the arbitrators and arbitration proceedings

(vii) Sharing of Fees Except for an appeal, the parties to the Dispute or action will share the fees and expenses of the mediation and the arbitration equally during the mediation and arbitration However, the prevailing party in arbitration will be awarded costs and attorney's fees as set forth in Section 19 3 below

(viii) Federal Arbitration Act You and We mutually agree that all issues relating to arbitrability are governed exclusively by the Federal Arbitration Act and the federal common law of arbitration to the exclusion of any state statutes or common law and will be decided by the arbitrator All provisions of this Agreement pertaining to venue, choice-of-laws, dispute avoidance and resolution will be strictly enforced, and You and We will rely on federal preemption under the Federal Arbitration Act

ARTICLE XVIII
NOTICES

18 1 Notices All notices permitted or required under this Agreement will be in writing and will be delivered as follows with notice deemed given as indicated (i) by personal delivery when delivered personally, (ii) by overnight courier upon written verification of receipt, (iii) by facsimile transmission when confirmed by facsimile transmission, during normal business hours, Monday through Friday, holidays excepted, (iv) through the email address below or other verified email address when confirmed by receipt verification, which verification will not be withheld or otherwise denied, or (v) by certified or registered mail, return receipt requested, three (3) days after deposit in the mail addressed as follows

FRANCHISOR	FRANCHISEE·
Grout Doctor Global Franchise Corp 2150 South 1300 East, Suite 500 Salt Lake City, Utah 84106 (or Our then-current headquarters) Facsimile _____ Email _____ With a copy to (which will not act as notice or service to Franchisor) The Franchise & Business Law Group Attn Brooke Ashton 57 West 200 South, Ste 350 Salt Lake City, Utah 84101 Email bashton@fblglaw com	_____, LLC/Inc _____ _____ Facsimile _____ Email _____

18 2 Delivery If You refuse or fail to accept any certified or overnight delivery, acceptance will be deemed to have occurred forty-eight (48) hours after rejection or failure to accept such notice Any notice delivered by mail in the manner herein specified will be deemed delivered and received three (3) days after mailing

18 3 Listed Addresses The address specified herein for services of notices may be changed at any time by the party making the change by giving written notice to the other party by certified mail or as otherwise agreed by You and Us Any notice to You may be delivered to the address set forth above or to the address of Your Franchise Business or office

ARTICLE XIX
CONSTRUCTION AND JURISDICTION

19 1 Governing Law Except as provided in Section 19 5, this Agreement is governed, construed and interpreted in accordance with the laws of the State of Utah without giving effect to its conflict of laws provisions You and We agree that the provisions of this Agreement control the state or provincial laws by which this Agreement will be governed and any provisions of state or provincial law to the contrary or any statements in Our franchise disclosure document or otherwise required as a condition of registration or otherwise If the governing law requires terms other than or in addition to those in this Agreement, then such terms shall be deemed incorporated herein, but only to the extent necessary to prevent the invalidity of this Agreement or any of the provisions hereof or the imposition of civil or criminal penalties or liability To the extent permitted by the laws of the state whose laws govern this Agreement, You hereby waive any provisions of law or regulations which render any portion of this Agreement invalid or unenforceable in any respect

19 2 Jurisdiction In order to facilitate our joint interests in having franchise issues determined in a consistent manner for application throughout the System, without in any way limiting or otherwise affecting Your and Our obligations regarding mediation and arbitration in accordance with the provisions of Article XVII, if there is any litigation between us, You and We hereby irrevocably consent to the exercise of general personal jurisdiction of the courts of record of the State

of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and You and Us both agree that Salt Lake City, Utah will be the exclusive venue for any litigation between You and Us Each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Utah

19 3 Costs and Attorney's Fees In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or arbitration proceeding The costs of mediation will also be awarded to the prevailing party in arbitration, if applicable For purposes of this Agreement, "prevailing party" Includes, the Party which obtains a judgment in their favor, or agrees to dismiss an action or proceeding upon the other's payment of sums allegedly due or performance of the covenants allegedly breached, or which obtains substantially the relief sought

19 4 No Jury Trial You and We waive, to the fullest extent permitted by law, all rights to trial by jury in any action or Dispute, whether at law or in equity, brought by either party

19 5 Exception Notwithstanding the foregoing, the Federal Arbitration Act (9 U S C §§ 1 Et Seq) and the United States Trademark Act (Lanham Act, U S C § 1051 Et Seq) shall apply to this Agreement and the relationship of the parties and preempt any state law to the contrary

19 6 No Limitation of Our Rights We may, in Our discretion, elect not to enforce or selectively enforce any provision of this Agreement whether with respect to You or any other franchisee and such acts or omissions will not limit or otherwise affect Our rights to strictly enforce this Agreement

ARTICLE XX
MISCELLANEOUS

20 1 Headings Headings used in this Agreement are for reference and convenience purposes only and are not to be used in construing the provisions of this Agreement As used herein, the male or female gender will include the other and the neuter The singular will include the plural and the plural will include the singular as appropriate

20 2 No Third Party Rights The parties intend to confer no benefit or right on any person or entity not a party to this Agreement and no third parties will have any right or claims, benefit or right or a third party beneficiary under this Agreement or any provision hereof Similarly, You are not entitled to claim any rights or benefits, Including those of a third party beneficiary, under any contract, understanding or agreement between Us and any other person or entities, unless that contract, understanding or agreement specifically refers to You by name and specifically grant rights or benefits to You

20 3 Authority Where an entity is a party to this Agreement, the person or persons signing this Agreement on behalf of the entity warrant to Us that he, she or they have the requisite authority to sign this Agreement At Our request, the concerned company signatory agrees to promptly provide Us with a certified copy of the resolution authorizing the execution of this Agreement and naming the officers, directors, members, or managers of the entity who are authorized to sign this Agreement on

behalf of the entity No field representative or salesperson has the right or authority to sign this Agreement or make oral representations or written modifications

20 4 No Partial Payments No payment by You or receipt by Us of any amount less than that required to be paid under this Agreement, or otherwise, to Us or any person or entity affiliated with Us, will be deemed to be anything except payment on account, regardless of any endorsement to the contrary contained on any such payment or in any oral or written communication transmitted in connection therewith

20 5 Joint and Several Liability If two or more persons, corporations, limited liability companies, partnerships or other entities, guarantors or any combination thereof, sign this Agreement, the liability of each will be joint and several All members of a general partnership and all members of any association or other unincorporated entity, which is part of the Franchisee hereunder, are jointly and severally liable for Your performance hereunder

20 6 No Off-Set or Withholdings You covenant and agree that You will not offset nor withhold the payment of any royalties, fees, payments, or other amounts due to Us or Our affiliates or suppliers on grounds of the alleged non-performance by Us of any of Our covenants or obligations hereunder, any dispute of any nature or otherwise

20 7 Disclosure We can disclose, in disclosure documents or otherwise, information relating to Your Franchise Business, Including Your name, address, phone numbers, financial information, copies or reports, and other information

20 8 Binding Agreement This Agreement is binding upon the heirs, administrators, personal representatives, assigns and successors in interest to the parties hereto

20 9 Force Majeure You will not be liable by reason of any failure or delay in the performance of Your obligations hereunder on account of strikes, fires, flood, storm, explosion or other cause which is beyond Your reasonable control This Section 20 9 will not be interpreted to relieve You from Your obligation to pay Us when due all payments required to be made by You under this Agreement

20 10 Entire Agreement The parties intend this Agreement and all attached exhibits hereto to be the full and complete agreement between Us and You and the entire integration of all our understandings of every nature concerning the matters contained in this Agreement or in any way related thereto, whether oral or written, and whether occurring before or contemporaneously with the execution of this Agreement You represent and acknowledge that no agreements, representations, negotiations, promises, commitments, inducements, assurances, terms, conditions, or covenants of any nature exist between You and Us except as specifically set forth in this Agreement, whether pertaining to this Agreement or to any future, further or additional rights of the parties Nothing in this Agreement or any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you

20 11 Amendments No amendment, change or variance from this Agreement will be binding on either party unless executed in writing, however, the Manuals and policies and procedures may be modified by Us from time to time as set forth in this Agreement, and are binding

20 12 Effective Date This Agreement will become effective only when executed and accepted by Us at Our headquarters

20 13 No Course of Dealing No course of dealing between You and Us will affect Your or Our rights under this Agreement or otherwise

20 14 No Representations You understand that the success or failure of Your Franchise Business depends on Your efforts You agree that We have not made nor have You received any promise, representation or warranty that 1) any payments by You are refundable at Your option, 2) We will repurchase any rights granted hereunder, 3) You will achieve any particular sales, income or other levels of performance or that You will be successful in Your Franchise Business, 4) You will have any exclusive rights of any type other than as expressly set forth herein, 5) You will receive any level of marketing, marketing assistance, site location, development or other services, operational assistance or otherwise other than as expressly set forth in this Agreement, 6) You will not be required to obtain any licenses in order to operate Your Franchise Business, 7) any location will be successful, or 8) that You will be awarded additional or further franchises or other rights, except as expressly set forth in a written document signed by Us

20 15 Variances You understand and agree that 1) We may have offered franchises in the past, may currently be offering franchises or may offer franchises in the future, on economic or other terms, conditions and provisions which may significantly differ from those offered by this Agreement and any related documents, and 2) there may be instances where We have varied, or will approve exceptions to or changes in the uniform standards, vary, the terms on which We offer franchises, the charges We make, or otherwise deal with Our franchisees to suit the circumstances of a particular transaction that We believe are necessary or desirable under particular circumstances You have no right to object to such variances or to obtain the same variances for Yourself

20 16 No Misrepresentations You further represent to Us, as an inducement to Our entry into this Agreement, that You have made no misrepresentations in obtaining the award of this Franchise

20 17 Representations of Non-Violation You represent and warrant that You may enter into this Agreement and that the execution and performance of this Agreement shall not be in violation or breach, or cause the violation or breach, of any agreement or covenant between You and any third party or the violation or breach of any order, decree or judgment of any court or administrative agency

20 18 FDD Acknowledgement You represent that You have had a copy of the Grout Doctor® Franchise Disclosure Document ("FDD") for at least 14 calendar days or 10 business days, whichever is applicable, prior to signing this Agreement or making any payment to Us, and during which time You had the opportunity to submit the FDD for review by legal counsel

20 19 Waiver We may, in writing, unilaterally waive any of Your obligations or requirements under this Agreement Waiver by Us or any particular default by You or obligation of Yours will not affect or impair Our rights, with respect to any subsequent default by You or any of Our other rights, the declare the same or subsequent acts a breach or default Our acceptance of any payments due from You does not waive any prior defaults

20 20 Counterpart Signatures This Agreement and its Exhibits may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means,

which shall be deemed the same as an original signature and may be used for all purposes as if it were an original, and when said counterparts have been exchanged between the parties, they shall be of full force and effect

20 21 Electronic Signatures This Agreement may be signed with full legal force and effect using electronic signatures and records

ARTICLE XXI
DEFINITIONS

21 1 "Confidential Information" means any information relating to Your Franchise Business, the Products or the development or operation of a Grout Doctor® franchise or relating to the System as a whole, Including (i) trade secrets, methods, techniques, trade dress, specifications, hardware, software, systems, proprietary technology procedures, equipment, sales and marketing programs and techniques and knowledge in the development and operation of a Grout Doctor® franchise, (ii) knowledge of, specifications for, and suppliers of, certain Products, materials, supplies, and equipment, (iii) knowledge of operating results and financial performance of Grout Doctor® franchises, (iv) Our strategic plans and concepts for the development, operation, or expansion of Grout Doctor® Franchises in the System, (v) the contents of Our Manuals or any other information obtained from Us in confidence at any time by virtue of the franchise or license relationship, (vi) all Customer Data, Including phone numbers and email addresses whether created by Us or You, and (vii) certain other Intellectual Property generally deemed confidential

21 2 "Including" throughout this Agreement, the term "Including", "Includes", or "Include" will mean, "including but not limited to", "including, without limitation" and similar all inclusive non-exhaustive meanings

21 3 "Intellectual Property" means all parts of the System particular to Us and collectively Includes all Marks, names, copyrights, systems, patents, patent applications, trade secrets, software, operations, and Manuals

21 4 "Marks" means the federally registered and common law trademarks and service marks owned by Us, whether now or later developed, and licensed to You for use only in association with Your Franchise Business, Including The Grout Doctor, and Pretty Tile, Ugly Grout "Marks" will also Include any and all names, trade names, trademarks, slogans, service marks, logos and/or other commercial property or symbols licensed to You pursuant to this Agreement or used in connection with the System or later added to the System

21 5 "Product" means any and all of the grout cleaning products and other products and items that are sold or offered for sale by Us, Our affiliates, or by licensees or franchisees

21 6 "Manuals" consists of one or more guides, manuals, Including an operations manual, and/or policies and procedures manuals, technical bulletins or other written materials and may be developed, modified, and supplemented by Us periodically The Manuals may be in printed or in an electronic format in Our discretion We reserve the right to require You to use an electronic version of the Manuals and to require You to access the document using the Internet or an intranet created and supported by Us You understand and agree that aside from the uses permitted specifically under law,

it is unlawful and a criminal offense to duplicate or reproduce any copyrighted or other proprietary materials

21 7 "Social Media" means any and all websites and web or Internet pages for social interaction, business operation, marketing, and other online information communications, whether now or later developed, Including Facebook, LinkedIn, Pinterest, Twitter and the like

21 8 "We," "Our(s)" or "Us" only as applied to paragraphs 2 2 3 and 14 8 7 and Section 16 4, and Articles XI, XV Includes Our predecessors, affiliates, subsidiaries, and Our officers, directors, shareholders, members, managers, employees, agents, development agents, or others with whose conduct We are chargeable

21 9 "You" or "Your" Includes all signers of this Agreement, Including all subsequent and current guarantors and all members, owners, partners, shareholders, managers, directors, officers, agents, affiliates, and principal employees and with those whose conduct You are chargeable

[INTENTIONALLY LEFT BLANK
SIGNATURES ON NEXT PAGE]

WE CANNOT RELIABLY PROJECT YOUR FUTURE PERFORMANCE, REVENUES OR PROFITS, AND YOU REPRESENT, COVENANT AND AGREE THAT WE HAVE MADE NO REPRESENTATIONS OR WARRANTIES CONCERNING YOUR SUCCESS AS A FRANCHISEE AND WE DISCLAIM ANY WARRANTY OR REPRESENTATION AS TO THE POTENTIAL SUCCESS OF THE BUSINESS OPERATIONS UNDER THIS FRANCHISE AGREEMENT THE SUCCESS OF YOUR BUSINESS IS LARGELY DEPENDENT ON YOUR PERSONAL EFFORTS.

WE EXPRESSLY DISCLAIM THE MAKING OF ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES REGARDING THE SALES, EARNING, INCOME, PROFITS, GROSS REVENUES, BUSINESS OR FINANCIAL SUCCESS, OR VALUE OF YOUR FRANCHISE BUSINESS

YOU ACKNOWLEDGE THAT YOU HAVE HAD AN OPPORTUNITY TO HAVE THIS AGREEMENT AND RELATED DOCUMENTS REVIEWED BY YOUR OWN ATTORNEY

IN WITNESS WHEREOF, the Franchisor and Franchisee have respectively signed and sealed this Franchise Agreement effective as of the day and year first written above

FRANCHISOR	FRANCHISEE
Grout Doctor Global Franchise Corp	_____ (LLC/INC)
By _____ (Signature)	By _____ (Signature)
Name _____	Name _____
Title _____	Title _____
	If the Franchisee is not an entity, each person must sign personally
	By _____ _____, personally
	By _____ _____, personally

IF FRANCHISEE IS A CORPORATION OR LIMITED LIABILITY COMPANY, ALL SHAREHOLDERS OR MEMBERS OF THE CORPORATION OR LIMITED LIABILITY COMPANY MUST EXECUTE THIS FRANCHISE AGREEMENT AS PROVIDED BELOW

The undersigned shareholders/members of the Franchisee, hereby execute, guaranty and agree to be bound by the terms and conditions of this Franchise Agreement, dated the ___ day of _____, 20_____

By _____
Signature
Print Name _____
Ownership MEMBER/SHAREHOLDER

By _____
Signature
Print Name _____
Ownership MEMBER/SHAREHOLDER

By _____
Signature
Print Name _____
Ownership MEMBER/SHAREHOLDER

By _____
Signature
Print Name _____
Ownership MEMBER/SHAREHOLDER

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, dated the _____ day of _____, 20___, by Grout Doctor Global Franchise Corp ("Franchisor") and for other good and valuable consideration, the undersigned (Guarantor"), for themselves, their heirs, successors and assigns, do jointly, individually and severally hereby guaranty the full performance of the terms and conditions of and liability for the aforesaid Franchise Agreement and related documents

Guarantor understands that a separate action may be brought or prosecuted against any Guarantor whether or not the action is brought or prosecuted against any other Guarantor or against the Franchisee, or any or all of them, or whether any other Guarantor or the Franchisee is or are joined in the action

Guarantor agrees that any claims, controversy, or dispute of Guarantor will be governed by the dispute resolution provisions of Article XVII of the Franchise Agreement which Article is incorporated herein and by reference made a part hereof Guarantor agrees that all arbitration and mediation will take place exclusively in Salt Lake City, Utah and Guarantor hereby submits to the jurisdiction of the federal and state courts of Utah

Guarantor waives the benefit of any statute of limitations or other provision of law which in any way affects or limits Guarantor's liability under this Guaranty

This Guaranty is governed by the laws of the state whose laws govern the Franchise Agreement

This Guaranty may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original, and when said counterparts have been exchanged between the parties, they will be of full force and effect

DATED this _____ day of _____, 20___

"GUARANTOR(S)"

By _____
(signature)
Name _____, personally

By _____
(signature)
Name _____, personally

EXHIBIT "A-1"
TO THE FRANCHISE AGREEMENT

TERRITORY

The Territory consists of the following area _____

_____

APPROVED* OFFICE LOCATION·

The Office Location is located at _____, in the city or town of _____, county of _____, state of _____

*Our approval of the territory or a site is not a guarantee or a warranty of the potential success of a territory or a site

_____
Franchisee Initial and Date

_____
Franchisor Initial and Date

EXHIBIT "A-2"
TO THE FRANCHISE AGREEMENT

COMPANY REPRESENTATIONS AND WARRANTIES

You make the following additional warranties and representations

You are a (check one)

□ Partnership □ Corporation
□ Sole Proprietorship □ Limited Liability Company

Name of Entity _____
State Entity was formed _____/Date of Formation _____

If You are a corporation, partnership, or limited liability company, please write below the name and address of each shareholder, partner, or member holding an ownership interest in the corporation, partnership or limited liability company, as well as the name of the shareholder, partner, or member who will attend training (please print or type names and add extra lines if necessary)

Name	**Address**	**Shares & Percentage of Interest***

*Corporation Percentage owned of outstanding voting stock
*Partnership Percentage owned in voting and in capital and profits
*Limited Liability Company Percentage owned in membership interest

List the names of the managers and officers of the Company

Name	**Title**	**Manager/Officer**

The address where Your records are maintained is _____
_____

The name and address of the person who has been approved by Us and who will be directly responsible for supervising Your business operations and who has authority to work with us and make decisions relating to the operations of the franchise business
Name _____
Address _____

Email _____

You agree to provide us a copy of Your articles of organization and operating agreement or articles of incorporation and bylaws by _____, 20___

IN WITNESS WHEREOF, Franchisee has executed this Company Representations and Warranties as of the _____ day of _____, 20____

FRANCHISEE

_____ (LLC/INC)

By _____
(Signature)

Name _____

Title _____

EXHIBIT "A-3"
TO THE FRANCHISE AGREEMENT

PRINCIPAL CONFIDENTIALITY & NON-COMPETITION AGREEMENT

This PRINCIPAL CONFIDENTIALITY & NON-COMPETITION AGREEMENT (the "Agreement") is entered into and made effective as of the ___ day of _____, 20___, by and between **GROUT DOCTOR GLOBAL FRANCHISE CORP**, a Nevada corporation (hereinafter referred to as "Franchisor" or the "Company") and the undersigned (referred to herein as "Principal" or "You")

WHEREAS, Franchisor has developed a system for the operation of a mobile service franchise business known as The Grout Doctor®, offering to the public residential and commercial grout, tile and stone cleaning, sealing, re-coloring, repair, re-grouting and re-caulking and related repair and maintenance services and may also include and other supplemental services ("Grout Doctor® Business") The system Includes, among other things, specific trade names, trademarks or service marks, standards, Manuals, operating procedures, marketing concepts, cooperative buying, business format, specifications for certain equipment, the sale of products under the name Grout Doctor®, supply items and confidential information ("System" and at times the "Grout Doctor® System"), and

WHEREAS, Principal or his or her company entered into an agreement with Franchisor ("Franchise Agreement") so as to be able to obtain the rights to operate a Grout Doctor® Business using the System developed by the Franchisor Including certain confidential and proprietary information of Franchisor ("Franchise Business"), and

WHEREAS, Principal will have access to such proprietary information, and

WHEREAS, Principal recognizes the value of the System and the intangible property rights licensed under the Franchise Agreement and recognizes that the Franchisor's entering into the Franchise Agreement is conditioned upon the Principal entering into this Agreement

NOW THEREFORE, in consideration of Franchisor entering into the Franchise Agreement with Principal or his or her company, the recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows

1 Acknowledgment Principal acknowledges that he or she has obtained or may obtain knowledge of confidential matters, procedures, services, and products developed, used and owned by Franchisor and made available to Principal, which are necessary and essential to the operation of the Franchise Business, without which information the Franchise Business could not efficiently, effectively and profitably operate Principal further acknowledges that such confidential information was not known to him or her prior to the association with Franchisor

2 Non-Disclosure Except as may be required under the Franchise Agreement, neither Principal nor Principal's family will during the term of the Franchise Agreement and any renewal or successor franchise agreement or any time thereafter, directly or indirectly, use, or disclose to any third party, or authorize any third party to use, any information relating to the Franchise Business or interest of Franchisor or the System which he or she knows, or reasonably should know, is regarded as confidential and valuable to Franchisor, Including techniques, methods, protocols, standards, merchandising, sale of products and services, products, sourcing of products, marketing plans, pricing,

billing systems and procedures, financial information, specifications, manuals, business plans, suppliers, customer lists, technical designs or drawings that relate to the Franchise Business and the Grout Doctor® System The parties intend that the information disclosed by Franchisor prior to the actual execution of this Agreement will constitute Confidential Information, and will be subject to all the terms and conditions of this Agreement (Including the covenants, protecting against disclosures) as if such information had been disclosed following the execution of this Agreement

3 Non-Competition Principal, Principal's family and Franchisor share in a common interest in avoiding situations where persons or companies who are or have been Grout Doctor® franchisees operate or otherwise become involved with a substantially similar competing business during the term of the Franchise Agreement Therefore, the following covenants will be enforced during and after the term of the Franchise Agreement

3 1 In-Term Covenant During the term of the Franchise Agreement and for any extensions or Successor Franchises hereof, except as permitted under the Franchise Agreement, Principal agrees that neither Principal nor Principal's family, nor any shareholders, owners, partners, directors, members, managers, officers, agents,, affiliates, principal employees, nor any partner in a partnership franchise, will own, operate, lease, franchise, conduct, consult with, engage in, be connected with, have any interest in, or assist any person or entity engaged in or on its own account or as an employee, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership, or corporation engaged in any identical or similar business or other business offering products or services the same as or substantially similar to the Franchise Business or the System in any capacity or location, except with Franchisor's prior written consent Principal understands and acknowledges that to violate this Section will create irreparable harm

3 2 Post-Term Covenant Upon termination or expiration of the Franchise Agreement and any extensions or Successor Franchises thereof, for any reason, and for a continuous, uninterrupted period of two (2) years thereafter, neither Principal, nor Principal's family, nor any of Principal's members, owners, partners, managers, officers, directors, agents, affiliates or principal employees, will, directly or indirectly, participate as an owner, operator, shareholder, director, partner, member, manager, consultant, agent, employee, advisor, officer, lessor, lessee, franchisor, franchisee or serve in any other capacity whatsoever or have any interest in or assist any person or entity in any business, firm, entity, partnership or company engaged in any identical or similar business or other business offering products or services the same as or substantially similar to the Franchise Business or the System in any capacity or location within the Territory or within fifty (50) miles of the Territory or within fifty (50) miles of the territory of any System franchise or affiliate business operation at the time of termination or expiration of the Franchise Agreement The ownership of not more than two percent (2%) of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision Principal agrees that the Franchise Business attracts customers from up to 50 miles, and that such geographical restraint is not unreasonable

3 2 1 In the event Principal competes during the term of non-competition, this non-compete time period will be extended for the period of Principal's competition, plus an additional six (6) months

4 Non-Solicitation of Employees Principal will not, during the term of the Franchise Agreement and any extension or Successor Franchise, and for three (3) years thereafter, directly or

indirectly, employ or attempt to employ or solicit for any employment any of Franchisor's employees or the employees of Franchisor's subsidiaries or affiliated corporations or entities

5 Non-Solicitation of Customers Principal will not, during the term of the Franchise Agreement and any extension or Successor Franchise and for three (3) years thereafter, directly or indirectly, contact any customer of Franchisor for the purpose of soliciting from any such customer any business that is the same as or substantially similar to the business conducted between the Franchisee and the customer or Franchisor or Franchisor's affiliate and the customer All Customer Data belongs to the Company

6 Return of Materials At the termination of the Franchise Agreement, Principal agrees to deliver to Franchisor (and will not keep a copy in his or her possession or deliver to anyone else) the Grout Doctor® operations manual and any and all Customer Data, vendor lists, records, data, designs, photographs, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property relating to the Business or the System

7 Irreparable Harm Principal hereby acknowledges and agrees that any breach by him or her of Sections 1 through 6 above, inclusive, will cause damage to Franchisor in an amount difficult to ascertain Accordingly, in addition to any other relief to which Franchisor may be entitled, Franchisor, shall be entitled to temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by Principal of any of the terms of Section 1 through 6 above, inclusive, without proof of actual damages that have been or may be caused to Franchisor by such breach

8 Reasonableness and Enforceability Principal agrees that the terms of this Agreement are fair and reasonable in light of the circumstances and were in part, based on the perceived or potential value of the System and the business relationship that Principal and/or his company have and will have with Franchisor If any portion of this Agreement shall be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement shall be considered valid and operative, and effect shall be given to the intent manifested by the portion held invalid or inoperative Whenever the context so requires, the masculine shall include the feminine and neuter and the singular shall include the plural and conversely

9 Governing Law and Jurisdiction The validity, enforcement, construction, rights and liabilities of the parties and provisions of this Agreement will be governed by and interpreted in accordance with the laws of the State of Utah without giving effect to its conflicts of law provisions If for any reason court action is filed, Recipient consents to the jurisdiction of the courts of record in the State of Utah and agrees that proper jurisdiction and venue will be exclusively in the state and federal courts of Salt Lake County, State of Utah

10 Attorneys' Fees and Costs In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding

11 Binding Agreement This Agreement shall bind the successors and assigns of Principal and his or her heirs, personal representative, successors and assigns No rights under this Agreement shall be assignable by Principal and any purported assignment shall be null and void and of no force or

effect

12 Survival of Covenants All covenants made in this Agreement by Principal shall survive the termination or transfer of this Agreement or the Franchise Agreement or Principal's disassociation with Principal's company or the System in any way

13 Modification of Agreement This Agreement may be amended in whole or in part only by an agreement in writing signed by the parties

14 Counterpart Signatures This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original, and when said counterparts have been exchanged between the parties, they will be of full force and effect

PRINCIPAL ACKNOWLEDGES THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.

IN WITNESS WHEREOF, the parties have executed this Agreement effective the day and year first herein above written

FRANCHISOR	PRINCIPAL
Grout Doctor Global Franchise Corp.	
By _____ (Signature)	By _____ (Signature)
Name _____	Name _____
Title _____	

EXHIBIT "A-4"
TO THE FRANCHISE AGREEMENT

EMPLOYEE CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

THIS EMPLOYEE CONFIDENTIALITY AND NON-COMPETITION AGREEMENT is entered into this ____ day of _____, 20__, between _____ ("Franchisee") and _____ ("Employee"), residing at _____

[City] [State] [Zip Code]

A Franchisee is the holder of a Grout Doctor® franchise and as such is the beneficiary of certain confidential and proprietary information of Grout Doctor Global Franchise Corp ("Franchisor")

B Employee may in the course of his or her employment by Franchisee have access to such proprietary information

NOW, THEREFORE, in consideration of the employment of Employee by Franchisee, the parties hereto agree as follows

1 Acknowledgement Employee acknowledges that during the course of his or her employment by Franchisee he or she has obtained or may obtain knowledge of confidential matters and procedures developed, licensed or owned by Franchisor and made available to Franchisee, which are necessary and essential to the operation of the business of Franchisee, which without such information, Franchisee could not efficiently, effectively and profitably operate its franchise Employee further acknowledges that such confidential information was not known to him prior to his or her employment

2 Non-Disclosure Except as may be required in the performance of duties for Franchisee, Employee will not, during the course of his or her employment and thereafter, directly or indirectly, use, or disclose to any third party, or authorize any third party to use, any information relating to the business or interest of Franchisee or Franchisor, which he or she knows or reasonably should know is regarded as confidential and valuable to Franchisee or Franchisor, Including techniques, methods, standards, merchandising, marketing, sale of products and services, pricing, billing systems, procedures, specifications, products, manuals, business plans, customer lists, technical designs or drawings that relate to Franchisee's business, the Grout Doctor® system and franchise products, customers, suppliers and marketing plans

3 Non-Competition Employee will not, during the course of his or her employment by Franchisee, and for one (1) year thereafter, directly or indirectly in any capacity, without Franchisee's prior written consent, engage in a business, or plan for or organize a business, or have any financial interest in a business, which is competitive with or substantially similar to Franchisee's business or the business of any other Grout Doctor® franchisee by becoming an owner, officer, director, shareholder, partner, associate, employee, agent, representative or consultant or serve in any other capacity in any such business providing grout services, or other Grout Doctor® related products and services Without limiting the generality of the foregoing, the minimum area of competitive nature shall be that area within a ten (10) mile radius of Franchisee's territory or within a ten (10) mile radius of any of

Franchisor's franchise or business operations, or that of its parent, subsidiary or affiliate, at the time of Employee's termination of employment Ownership of not more than 2% of the voting stock of a publicly held corporation shall not be considered a violation of the foregoing provision

4 Non-Solicitation of Employees Employee will not, during the course of his or her employment and for one (1) year thereafter, directly or indirectly, employ or attempt to employ or solicit for any employment any of Franchisee's employees or the employees of Franchisor's subsidiaries or affiliated corporations or entities

5 Non-Solicitation of Customers Employee will not, during the course of his or her employment and for one (1) year thereafter, directly or indirectly, contact any customer of Franchisee for the purpose of soliciting from any such customer any business that is the same as or substantially similar to the business conducted between Franchisee and the customer

6 Return of Materials At the termination of employment, Employee agrees to deliver to Franchisee (and will not keep in his or her possession or deliver to anyone else whether in hard or electronic soft copy) the Grout Doctor® Manuals and any and all records, data, designs, photographs, notes, reports, proposals, lists, correspondence, specifications, materials, equipment, customer lists or other documents or property, or reproductions of any such items belonging to Franchisor or Franchisee, or either of their successors or assigns relating to the Grout Doctor® business and the System

7 Irreparable Harm Employee hereby acknowledges and agrees that any breach by him or her of Sections 1 through 6 above, inclusive, will cause damage to Franchisee and Franchisor in an amount difficult to ascertain Accordingly, in addition to any other relief to which Franchisee may be entitled, either Franchisee or Franchisor shall be entitled to temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by Employee of any of the terms of Section 1 through 6 above, inclusive, without proof of actual damages that have been or may be caused to Franchisee or Franchisor by such breach, and without the requirement of posting bond

8 Enforceability If any portion of this Agreement shall be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement shall be considered valid and operative, and effect shall be given to the intent manifested by the portion held invalid or inoperative Whenever the context so requires, the masculine shall include the feminine and neuter and the singular shall include the plural and conversely

9 Binding Agreement This Agreement shall bind the successors and assigns of Franchisee and the heirs, personal representative, successors and assigns of Employee No rights under this Agreement shall be assignable by Employee and any purported assignment shall be null and void and of no force or effect

10 Survival of Covenants All covenants made in this Agreement by Employee shall survive the termination of this Agreement

11 Modification of Agreement This Agreement may be amended in whole or in part only by an agreement in writing signed and dated by the parties

12 Counterpart Signatures This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original, and when said counterparts have been exchanged between the parties, they will be of full force and effect

13 Third Party Beneficiary It is agreed and acknowledged that Grout Doctor Global Franchise Corp is a third party beneficiary to this Agreement

EMPLOYEE ACKNOWLEDGES THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first herein above written

FRANCHISEE	EMPLOYEE
_____	
By _____	_____
(Signature)	(Signature)
Name _____	_____
	(Print Name)
Title _____	

For persons under 18 years of age, a parent or legal guardian must sign the above Confidentiality and Non-Competition Agreement and complete the following section

I, _____ (Parent/Guardian), the undersigned and the parent and natural guardian of _____ (minor's name), hereby acknowledge that I have executed the foregoing Confidential Recipe Agreement for and on behalf of the minor named herein I represent that I have legal capacity and authority to act for and on behalf of the minor named herein As the natural or legal guardian of such minor, I hereby bind myself, the minor, and our successors and assigns to the obligations and liabilities of the foregoing Confidential Recipe Agreement

SIGNED AND WITNESSED this ___ day of _____, 20____

Signature of Parent/Guardian _____

Name of Parent/Guardian _____

Address _____

_____

Phone _____

EXHIBIT "A-5"
TO THE FRANCHISE AGREEMENT

APPROVED GROUT DOCTOR SERVICES

1 Grout Cleaning
2 Grout Sealing
3 Grout Repair
4 Regrouting
5 Grout Staining
6 Recaulking
7 Tile Repair/Replacement
8 Grouting
9 Minor Wall Repairs*
10 Accessory Installation*
11 Shower Door Removal*
12 Clean, Seal or Refinish Saltillo Tile or Pavers*
13 Cleaning & Sealing Natural Stone*
14 EnduroShield Protective Coatings Installation*

SUPPLEMENTAL SERVICES

(These supplemental services are only available after operating your franchise for at least 3 months All of these services require additional training by Us for a training fee Some of these services also require the purchase of additional equipment and supplies)

1 Stone Restoration and Polishing

_____ Franchisor's Initials

* Optional Services

EXHIBIT "A-6"
TO THE FRANCHISE AGREEMENT

NEW FRANCHISEE START-UP PACKAGE
Equipment and Tools

Electric Grout Removal Tool
Tool Adapter and Carbide Bits (4)
Electric Multi Tool
Moisture Meter
Shop Vac
Tile Scorer and Breaker
Tile Nippers
Tile File
Grout Getter
Chisel
Grout Float
Margin Trowel
Manual Grout Saw w/Blades
Fast Change Utility Knife w/Blades
Razor Scraper
Scraper Blades (100)
4" Scraper
4" Blades (10)
Safety Glasses
Knee Pads
Dust Masks (1)
Tool Box
Wet Saw
Mini Pry Bar
Flashlight
Ear Plugs
25' Tape Measure
9' Heavy Duty Extension Cord
4-Way Screw Driver
Hammer
Pliers
Flexible Putty Knife
Grout Sponges (2)
Small Grout Brushes (4)
Large Grout Brush (2)
Stain (Chip) Brushes (5)
Green Scrub Pads (16)
Disposable Shoe Covers (6 pair)
Spray Bottles (12)
Sample Bottles/Labels (12)
Tape
Caulk Gun
Drop Cloth
Dust Pan
Broom
Trash Bags
Terry Cloth Towels (12)
Rubber Gloves
Blades Utility (100)

Training Materials

Grout Doctor Operations Manuals
How to Get the Gold Out of Grout and Self Study Pre Test
- Volume I - Operations Training
- Volume II - Technical Training
- Volume III - Marketing and Marketing

Marketing Materials

Personalized Marketing and Marketing Plan
Magnetic Vehicle Signs (2)
Vehicle PTUG/Web Site Decal
Vehicle Wrap Design Template
Before and After Photo Album
Grout Doctor Jingle CD
Grout Doctor TV Commercial DVD
Direct Mail and Internet Marketing Programs
Marketing, Flyer, Postcard, Tri-fold Templates

Printed Materials

1000 Business Cards
500 Estimate Forms (2 part NCR)
25 Gift Certificates
100 "Sorry We Missed You" Door Hangers
100 "In the Neighborhood" Door Hangers
100 Lead Tracking Sheets
200 Home Show Estimate Request Slips

Grout Doctor Products and Other Consumable Supplies

Alkaline Cleaner (3 gallons)
Acidic Cleaner (2 gallons)
Dry White Grout
Sealer (1 gallon)
Shower Cleaner (1 gallon)
Neutral Cleaner (1 gallon)
Caulk (3)

Logo Wear

Grout Doctor Polo Shirts (2)
Grout Doctor T-Shirts (5)

EXHIBIT "A-7"
TO THE FRANCHISE AGREEMENT

AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS (ACH DEBITS)

Business Name _____

I (We) hereby authorize Grout Doctor Global Franchise Corp (hereinafter called "Company"), to initiate debit entries to my (our) ☐ checking account/ ☐ savings account (select one) indicated below at the depository financial institution named below, (hereinafter called "Depository"), and to debit the same to such account I (We) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of United States law

Depository Name _____ Branch _____

City _____ State _____ Zip Code _____

Routing Number _____ Account Number _____

This authorization is to remain in full force and effect until Company has received written notification from me (or either of us) of its termination in such time and in such manner as to afford Company and Depository a reasonable opportunity to act on it

Name(s) _____
(please print)

Title _____

Signature _____ Date _____

NOTE ALL WRITTEN DEBIT AUTHORIZATIONS MUST PROVIDE THAT THE RECEIVER MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE ORIGINATOR IN THE MANNER SPECIFIED IN THE AUTHORIZATION.

EXHIBIT "A-8"
TO FRANCHISE AGREEMENT

STATE SPECIFIC ADDENDA

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF FOR THE STATE OF ILLINOIS

- 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 815 ILCS 705/41 (West 2010)

- Illinois law governs the Franchise Agreement and other agreements between the parties

- Any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside the State of Illinois is void, provided that a Franchise Agreement may provide for arbitration in a forum outside of Illinois

ADDENDUM TO THE FRANCHISE AGREEMENT FOR THE STATE OF MARYLAND

This Addendum Agreement is made contemporaneously with the Franchise Agreement dated _____, 20____, by and between **GROUT DOCTOR GLOBAL FRANCHISE CORP**, a Nevada corporation, hereinafter referred to as "Franchisor" and _____, hereinafter referred to as "Franchisee"

RECITALS·

WHEREAS, Franchisor desires to enter into a Franchise Agreement with Franchisee, and

WHEREAS, Franchisor and Franchisee desire to make revisions to and otherwise amend the Franchise Agreement as provided herein below, and

WHEREAS, all capitalized terms used, but not defined, herein shall have the respective meanings assigned to them pursuant to the Franchise Agreement, and all references herein to "Article" and "Paragraphs" shall refer to articles and paragraphs of the Franchise Agreement

NOW THEREFORE, in consideration of the mutual and reciprocal covenants, promises, recitals, terms and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the parties hereby agree as follows

The Franchise Agreement is amended as follows

1 The payment of the initial franchise fee is deferred until such time as all material pre-opening obligations owed to Franchisee under the Franchise Agreement or other agreements have been fulfilled by Franchisor and Franchisee has commenced doing business pursuant to the Franchise Agreement

2 The Franchise Agreement is amended to provide that the Franchisee may sue in Maryland The Franchise Agreement requires litigation or arbitration to be conducted in the State of Utah, this requirement shall not limit any rights Franchisee may have under the Maryland Franchise Registration and Disclosure Law to bring suit in the State of Maryland

3 Any claim arising under the Maryland Franchise Registration Disclosure Law ("Maryland Act") must be brought within three (3) years after the grant of the Franchise Any limitation of claims provided in the Franchise Agreement shall not reduce the three (3) year statute of limitations afforded to a Maryland franchisee as provided in the Maryland Act

4 Any provision in the Franchise Disclosure Document or Franchise Agreement or the agreements attached as appendices thereto that requires Franchisee to disclaim the occurrence and/or acknowledge the nonoccurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law is not intended to nor will it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law

5 Franchisee's acknowledgement and representations 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

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

Except as expressly amended or modified herein, all terms, provisions and conditions of the original Franchise Agreement shall remain in full force and effect In the event of a conflict or inconsistency between the provisions of this Addendum and any provisions of the original Franchise Agreement, the provisions hereof shall in all respects govern and control

IN WITNESS WHEREOF, and by their signatures below, the Parties hereto acknowledge that they have read, understand and agree to all of the terms and provisions of this Agreement and have caused this Agreement to be effective as of the _____ day of _____, 20___, with the full authority of the Company principal they represent

FRANCHISEE	**GROUT DOCTOR GLOBAL FRANCHISE CORP.**
By _____	By _____
Its	Its

WASHINGTON FRANCHISE AGREEMENT ADDENDUM

The state of Washington has a statute, RCW 19 100 180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise

In any 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

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

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel Provisions such as those which 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

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

Collection of the initial franchise fees will be deferred until the franchisor has fulfilled its initial pre-opening obligations and the franchisee is open for business

The undersigned does hereby acknowledge receipt of this addendum

IN WITNESS WHEREOF, the Franchisor and Franchisee have respectively signed and sealed this Agreement as of the ____ day of _____, 20__

FRANCHISOR	FRANCHISEE
GROUT DOCTOR GLOBAL FRANCHISE CORP.	_____, **LLC/INC**
By _____	By _____
Its _____	Its _____
	_____
	Witness

EXHIBIT C
TO DISCLOSURE DOCUMENT

LIST OF STATE AGENCIES RESPONSIBLE FOR FRANCHISE DISCLOSURE/REGISTRATION LAWS

California

Department of Business Oversight

Sacramento

1515 K Street, Suite 200
Sacramento, California 95814-4052
(916) 445-7205
Toll free at 1-866-275-2677

San Diego

1350 Front Street, Room 2034
San Diego, California 92101-3697
(619) 525-4233
Toll free at 1-866-275-2677

San Francisco

One Sansome Street, Ste 600
San Francisco, California 94104
(415) 972-8559
Toll free at 1-866-275-2677

Los Angeles

320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500
Toll free at 1-866-275-2677

Connecticut

Securities and Business Investment Division
Connecticut Department of Banking
260 Constitution Plaza
Hartford, Connecticut 06103-1800
(860) 240-8233

Florida

Department of Agriculture and Consumer Services
Division of Consumer Services
P O Box 6700
Tallahassee, Florida 32314-6700
(805) 488-2221
Fax (805) 410-3804

Georgia

Secretary of State of Georgia
Corporations Division
2 Martin Luther King, Jr Dr , SE
Suite 315, West Tower
Atlanta, Georgia 30334

Hawaii

Department of Commerce and Consumer Affairs
Business Registration Division
Commissioner of Securities
P O Box 40
Honolulu, Hawaii 96810
(808) 586-2744

Illinois

Franchise Bureau
Office of Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4436

Indiana

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

Iowa

Iowa Securities Bureau
340 Maple
Des Moines, Iowa 50319-0066
(515) 287-4441

Maryland

Office of the Attorney General,
Division of Securities
200 St Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

Michigan

Michigan Attorney General's Office
Consumer Protection Division
Attn Franchise Section
525 West Ottawa Street
Williams Building, 6th Floor
Lansing, Michigan 48933
(517) 373-7117

Minnesota

Franchise Examiner
Minnesota Department of Commerce
Market Assurance Division
85 7th Place East, Suite 500
St Paul, Minnesota 55101-2198
(651) 296-6328

Nebraska

Department of Banking and Finance
Bureau of Securities/Financial Institutions Division
1526 K Street, Suite 300
Lincoln, NE 68508-2732
(402) 471-3445

New York

Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
120 Broadway, 23rd Floor
New York, New York 10271-0332
Phone (212) 416-8236
Fax (212) 416-6042

North Dakota

Franchise Examiner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol Fifth Floor, Dpt 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

Oregon

Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4140
Fax (503) 947-7862

Rhode Island

Department of Business Regulation
Securities Division
1511 Pontiac Avenue
John O Pastore Complex-69-1
Cranston, Rhode Island 02920-4407
(401) 462-9527

South Dakota

Department of Labor & Regulation
Division of Securities
124 S Euclid, Suite 104
Pierre, South Dakota 57501-3185
(605) 773-4823
Fax (605) 773-5953

Texas

Statutory Document Section
Secretary of State
P O Box 12887
Austin, Texas 78711
Street Address
1719 Brazos
Austin, Texas 78701
(512) 475-1769

Utah

Division of Consumer Protection
Utah Department of Commerce
160 East Three Hundred South
SM Box 146704
Salt Lake City, Utah 84114-6704
(801) 530-6601
Fax (801) 530-6001

Virginia

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

Washington

Department of Financial Institutions
Securities Division
P O Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

Wisconsin

Division of Securities
Department of Financial Institutions
P O Box 1768
Madison, Wisconsin 53701
(608) 266-2801

Federal Trade Commission

Division of Marketing Practices
Bureau of Consumer Protection
Pennsylvania Avenue at 6th Street, NW
Washington, D C 20580
(202) 326-3128

EXHIBIT D
TO DISCLOSURE DOCUMENT

LIST OF AGENTS FOR SERVICE OF PROCESS

California	Commissioner of Business Oversight Department of Business Oversight 1515 K Street, Suite 200 Sacramento, CA 98514 (916) 445-7205 Toll free at 1-866-275-2677
Georgia	Secretary of State of Georgia Corporations Division 2 Martin Luther King, Jr Dr , SE Suite 315, West Tower Atlanta, Georgia 30334
Hawaii	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722
Illinois	Chief, Franchise Division Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465
Indiana	Indiana Secretary of State 201 State House Indianapolis, IN 46204
Maryland	Maryland Securities Commissioner Division of Securities Office of Attorney General 200 St Paul Place Baltimore, MD 21202-2020 (410) 576-6360

Michigan	Antitrust and Franchise business Michigan Department of the Attorney General's Office Franchise Administrator Consumer Protection Division 6546 Mercantile Way Lansing, MI 48910 (517) 373-7117
Minnesota	Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 500 St Paul, MN 55101 (612) 296-6328
New York	New York Department of State Once Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492
North Dakota	North Dakota Securities Department 600 East Boulevard Avenue State Capital Fifth Floor Dept 414 Bismarck, ND 58505-0510 (701) 328-4712
Oregon	Director of Insurance & Finance Business Service Division of Finance and Corporate Securities Labor and Industries Building Salem, OR 97310 (503) 378-4387
Rhode Island	Chief Securities Examiner of Business Regulation Department of Business Regulation Securities Division 1511 Pontiac Avenue John O Pastore Complex – Building 69-1 Cranston, RI 02920 (401) 462-9527
South Dakota	Department of Labor & Regulation Division of Securities 124 South Euclid Avenue, Suite 104 Pierre, SD 57501-3185 (605) 773-4823

Virginia	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Director of Financial Institutions 150 Israel Road SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Wisconsin Commissioner of Securities Franchise Investment Division Fourth Floor 101 East Wilson Street Madison, WI 53702

Alberta, Canada

Director of Franchises
Alberta Securities Commission
21st Floor
10025 Jasper Avenue
Edmonton, Alberta TSJ 3Z5
Canada
(403) 427-5201

EXHIBIT E
TO DISCLOSURE DOCUMENT

RELEASE AGREEMENT

RELEASE AGREEMENT

This Release Agreement ("Agreement") by and between GROUT DOCTOR GLOBAL FRANCHISE CORP (herein "Franchisor") and _____, LLC and _____, personally (jointly and severally "Franchisee") The above will collectively at times be referred to as "Parties" and individually as "Party " Capitalized terms used herein will have the meanings set forth in the Franchise Agreement, unless defined otherwise herein

In consideration of the premises and other provisions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby,,Franchisor and Franchisee hereby agree as follows

1 Franchisee and Personal Guarantor(s) hereby, fully and irrevocably, release, acquit and forever discharge Franchisor and its successors, affiliates, directors, officers, members, managers, employees, shareholders, representatives and agents and each of them, individually and collectively, of and from any and all claims, demands,, obligations, causes of action, suits or liabilities of any kind and nature, whatsoever, whether known or unknown, suspected or unsuspected, and in whatever legal theory or form which Franchisee and Personal Guarantor(s) have or claim to have, or at any time heretofore, had or claimed to have had, or which may hereafter accrue or arise, against Franchisor, its successors, affiliates, directors, officers, members, managers, shareholders, employees and agents, and each of them, by reason of, or in any way connected with the Franchise Agreement, the relationship described therein and any business transaction, agreement or occurrence, act or omission relating thereto prior to the date hereof Franchisee and Personal Guarantor(s) further waive any and all state law provisions limiting the effect of a general release

2 Franchisee represent that each of them fully understands the broad coverage of the release provisions of this Agreement, and that they execute the same with respect to all claims, causes of action and demands, as set forth above, they have or may have against the Franchisor, fully intending that the provisions hereof be given the broadest interpretation permitted by law or the English language The Franchisee acknowledges and expressly agrees that they will make no claim, and hereby waives any right they may now have, or may hereafter have, based upon any alleged oral or written alteration, amendment, or modification of this agreement, fully waiving any right they may have to refer to extrinsic matters in the interpretation hereof, whether to establish fraud, duress, mistake, undue influence, or for any other purpose These releases are intended to waive, release and discharge all claims, other than those expressly reserved herein, with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases In particular, the parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states

(a) A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR

(b) The parties, with the advice of their respective counsel, waive the benefit of both statute and other legal doctrine or principle of similar effect in any jurisdiction

3 This Agreement may be pleaded as a full and complete defense to, and may be used as the basis for, an injunction against any action, suit or other proceeding which may be instituted, prosecuted or maintained in breach of this Agreement

4 Nothing in this Agreement releases Personal Guarantor(s) or Franchisee from their

obligations under the non-competition clauses of the Franchise Agreement or their Non-Competition Agreements signed with Franchisor

5 Miscellaneous

5 1 Cooperation Franchisee and Personal Guarantor(s) will make, execute and deliver to Franchisor, promptly upon request and without additional consideration, any document or instrument necessary to carry out and effectuate the purposes of this Agreement

5 2 Choice of Law and Jurisdiction This Agreement will be construed in accordance with and all disputes hereunder will be governed by the laws of the State of Utah without giving effect to its conflicts of law provisions Franchisee, Personal Guarantor(s), and Franchisor hereby irrevocably consent to the exercise of general personal jurisdiction in the courts of record of the State of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and we both agree that Salt Lake City, Utah will be the exclusive venue for any litigation between us Each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Utah

5 3 Arbitration In the event any controversy or dispute arises between the Parties hereto in connection with, arising from or with respect to the provisions hereof, the relationship of the Parties hereto, or the validity of this Agreement or any provision hereof, such dispute or controversy will, on the request of any Party hereto be submitted for arbitration to the American Arbitration Association in accordance with its commercial arbitration rules All arbitration hearings will be conducted exclusively in Salt Lake County, Utah, and the laws of the State of Utah will govern, without giving effect to its conflicts of law provisions The arbitrator will have the power and jurisdiction to decide such controversy or dispute solely in accordance with the express provisions of this Agreement The prevailing Party in any arbitration suit or action to enforce this Agreement, will be entitled to recover the administrative costs of the arbitration proceeding and the fee for the arbitrator The Parties agree that any claim hereunder will result in an award not more than 120 days from the date of the statement of claim filed with the American Arbitration Association, unless otherwise waived by the Parties The award and findings of the arbitrators will be conclusive and binding upon all Parties hereto and the judgment upon the award may be entered in any Court of competent jurisdiction

5 4 Attorneys' Fees and Costs In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding

5 5 Amendment This Agreement may be amended, modified or changed only by a written instrument signed by duly authorized representatives of both Parties

5 6 Company Authority The persons signing below warrant that they are authorized to enter into this Agreement on behalf of their respective principals identified below and that by their signatures they bind such principals to this Agreement

5 7 Binding Agreement This Agreement and all its terms, conditions and stipulations will be binding upon and will inure to the benefit of the Parties hereto and their respective legal representatives, heirs, successors and permitted assigns

5 8 Confidentiality Franchisee and Personal Guarantor(s) agree to maintain this Agreement, the terms hereof, and any and all information obtained or provided by either Party in order to initiate a contractual relationship, in the strictest of confidence

5 9 Counterparts This Agreement, and those contemplated herein, may be executed in counterparts, including by means of telefaxed, emailed pdf, or other electronically delivered signature page, each of which will be deemed an original, but all of which together will constitute one and the same document

5 10 Entire Agreement This Agreement contains the entire agreement and only understanding between the Parties with respect to the subject matter hereof and supersedes all previous negotiations, agreements and understandings between the Parties and affiliates of the Parties, in connection with the subject matter covered herein, whether oral or written, and any warranty, representation, promise or condition in connection therewith not incorporated herein will not be binding upon either Party The Parties hereby agree that all prior agreements with between the Parties regarding the subject matter hereof are hereby terminated with no continuing duties or obligations on the part of the other Party

5 11 Paragraph Headings The paragraph headings appearing in this Agreement are inserted only as a matter of convenience and reference and in no way define, limit, construe or describe the scope, interpretations or extent of such paragraph or in any way affect such paragraph or this Agreement Words in the masculine gender include the feminine and neuter Use of the singular will include the appropriate plural numbers

5 12 Enforceability Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, not be effective to the extent of such prohibition, but such prohibition will not invalidate the remaining provisions hereof or affect the validity or enforceability of such provisions in any other jurisdiction

6 This Agreement will be effective when all the parties have signed it The date of this Agreement will be the date this Agreement is signed by the last party to sign it as provided in the signature block below

7 The Franchisee and Personal Guarantor(s) acknowledge that they have carefully read the foregoing Agreement and know and understand the contents of this Agreement, have been represented by counsel, or had the opportunity to be represented by counsel, and sign this Agreement as their own free act, fully intending to be legally bound thereby

[Signatures on Next Page]

IN WITNESS WHEREOF, and by their signatures below, the Parties hereto acknowledge that they have read, understand and agree to all of the terms and provisions of this Agreement This Agreement will be effective when signed by all of the parties in the appropriate places indicated below The date of this Agreement will be deemed to be the date on which the last signature is obtained

FRANCHISOR	FRANCHISEE
GROUT DOCTOR GLOBAL FRANCHISE CORP	_____,Inc/LLC (entity name)
By _____ Its _____	By _____ Its _____ (print name)
Date _____	Date _____

PERSONAL GURANTORS

By _____ _____, personally	By _____ _____, personally
Date _____	Date _____

MARYLAND
ADDENDUM TO RELEASE AGREEMENT

The general release will not apply to any liability under the Maryland Franchise Registration and Disclosure Law

ILLINOIS
ADDENDUM TO RELEASE AGREEMENT

When a prospective franchisee is required to sign the general release as a condition to obtaining a franchise, the general release will not apply to any claims arising from representations in the Franchise Disclosure Document, its exhibits and amendments

EXHIBIT F
TO DISCLOSURE DOCUMENT

OPERATIONS MANUAL
TABLE OF CONTENTS

Volume I
Administrative / Operations Training Manual
Table of Contents

		# of pages
1	Introduction	8
2	Review of Franchise Agreement	53
3	The Data Center	12
4	Customer Service	15
5	Record Keeping	50
6	Reporting and Compliance	14
7	Franchisee Support	7
8	Expanding your Business	27
9	Memberships	7
10	Forms	15
	Total	210

Volume II
Technical Training Manual
Table of Contents

1	General Tile and Grout Info	48
2	Approved Services	34
3	EnduroShield Application	14
4	Estimating	24
5	Mold Basics	21
6	Basic Stone Care	14
7	Equipment, Tools and Supplies	36
8	Safety	76
9	Terms of the Trade	14
	Total	287

Volume III
Marketing and Marketing Manual
Table of Contents

1	Marketing Plan	13
2	Vehicle Wraps	12
3	Direct Mail	18
4	Newspaper	1
5	Yellow Pages	1
6	Home Shows	1
7	Internet Marketing	8
8	Online Marketing and Print Center	13
	Total Pages	67

Volume IV
Technical Training Manual
Table of Contents

1	Stone Refinishing	85
2	Chip Repair	8
3	Inlays	5
	Total	98

EXHIBIT G – 1 to DISCLOSURE DOCUMENT
SCHEDULE OF FRANCHISEES
As of December 31, 2016

ALASKA
Aaron Daniels
AMD, LLC
Anchorage Franchisee since 3/17/08
1528 Nichols St
Anchorage, AK 99508
Cell 907-748-4102
aarondaniels@groutdoctor com

ARIZONA
Robert and Marsha Percox
Grout Doctor of Gilbert
Gilbert Franchisee since 12/02/02
5039 E Adobe Rd
Mesa, AZ 85205
Cell 480-720-6255
bobpercox@groutdoctor com

Remus and Diana Baesu
Trans-stone & Grout, LLC
Mesa Franchisee since 8/1/14
8711 E Pinnacle Peak Rd
PMB 325
Scottsdale, AZ 85255
Cell 480-212-6508
remusbaesu@groutdoctor com

Remus and Diana Baesu
Trans-stone & Grout, LLC
North Phoenix Franchisee since 7/13/04
8711 E Pinnacle Peak Rd
PMB 325
Scottsdale, AZ 85255
Cell 480-212-6508
remusbaesu@groutdoctor com

Conrad Fiedler
Conegan Corp
Phoenix/West Valley Franchisee since 1/04/05
P O Box 5278
Peoria, AZ 85385
Cell 602-791-6767
conradfiedler@groutdoctor com

Remus and Diana Baesu
Trans-stone & Grout, LLC
Scottsdale Franchisee since 4/19/04
8711 E Pinnacle Peak Rd
PMB 325
Scottsdale, AZ 85255
Cell 480-212-6508
remusbaesu@groutdoctor com

CALIFORNIA
Larre and Jeanie Scheidt
Larre's Home Improvement
No Orange County Franchisee since 8/15/02
9460 Willowbrook Rd
Westminster, CA 92683
Cell 714-322-6033
larrescheidt@groutdoctor com

Elvin Jenkins III
So Orange County Franchisee since 5/14/07
28241 Crown Valley Parkway, Ste F #257
Laguna Nigel, CA 92677
Cell 949-424-4245
elvinjenkins@groutdoctor com

Richard Eby
The Grout Doctor
Thousand Oaks Franchisee since 8/01/02
5473 Spanish Oak Ln, Unit F
Oak Park, CA 91377
Cell 805-443-3456
richardeby@groutdoctor com

COLORADO
Dean Shelton
D Shelton, LLC
Arvada/Golden/Lakewood
Franchisee since 9/1/13
4554 Richfield St
Aurora, CO 80015
Cell 720-456-9973
deanshelton@groutdoctor com

Dean Shelton
D Shelton, LLC
Aurora/Castle Rock/Parker
Franchisee since 3/15/13
4554 Richfield St
Aurora, CO 80015
Cell 720-456-9973
deanshelton@groutdoctor com

Matthew Bartlett
M&B Tile and Grout, LLC
Colorado Springs Franchisee since 9/8/09
8712 Roaring Fork Dr
Colorado Springs, CO 80924
Cell 719-464-5938
mattbartlett@groutdoctor com

Kevin Feldt
Grout Doctor, LLC
Denver/Broomfield/Westminster/
Brighton Franchisee since 9/16/09
9044 Vance St
Westminster, CO 80021
Cell 720-841-1731
kevinfeldt@groutdoctor com

FLORIDA
Wayne and Debi Gregson
W&D Grout Inc
Clearwater Franchisee since 2/25/03
2047 Chadsworth Dr
Dunedin, FL 34698
Cell 727-459-4255
waynegregson@groutdoctor com

Elliott Gerstein
Grout Development, Inc
Ft Lauderdale SW Franchisee since 12/31/07
18191 NW 68th Ave, Suite 112
Miami, FL 33015
Cell 305-785-6609
elliottgerstein@groutdoctor com

Elliott Gerstein
Grout Development, Inc
Miami Central/West Franchisee since 1/22/07
18191 NW 68th Ave, Suite 112
Miami, FL 33015
Cell 305-785-6609
elliottgerstein@groutdoctor com

William Porter
Portcorp Inc
New Tampa/Pasco Co Franchisee since 12/31/08
36627 Judee Dr
Zephyrhills, FL 33541
Cell 813-469-4395
billporter@groutdoctor com

John Orban
JOKAR Enterprises
Orlando West Franchisee since 9/13/10
231 Blue Cypress Dr
Groveland, FL 34736
Cell 352-396-3745
johnorban@groutdoctor com

Douglas and Barbara Nelson
Nelzco Remodeling Specialists Inc
Sarasota-Venice-Engelwood, FL Franchisee since 7/8/08
4952 Laurel Hill Dr
Venice, FL 34293
Cell 941-408-3868
douglasnelson@groutdoctor com

Wayne and Debi Gregson
W&D Grout Inc
St Petersburg Franchisee since 12/4/06
2047 Chadsworth Dr
Dunedin, FL 34698
Cell 727-459-4255
waynegregson@groutdoctor com

Daron Ward
Tampa Franchisee since 5/1/16
11334 Misty Isle Ln
Riverview, FL 33579
Cell 813-458-8502
daronward@groutdoctor com

Jeff Arnold
All About You Services, LLC
Atlanta (Northwest) Franchisee since 9/5/14
2715 Mohawk Trail
Acworth, GA 30102
Cell 770-377-4432
jeffarnold@groutdoctor com

Jeff Arnold
All About You Services, LLC
Atlanta (Northeast) Franchisee since 12/1/15
2715 Mohawk Trail
Acworth, GA 30102
Cell 770-377-4432
jeffarnold@groutdoctor com

HAWAII
Remus and Diana Baesu
Hawaii's Best Seal Team
Oahu Franchisee since 7/24/16
8711 E Pinnacle Peak Rd
PMB 325
Scottsdale, AZ 85255
Cell 480-212-6508
remusbaesu@groutdoctor com

ILLINOIS
Alan Clark
JENLME, Inc
Chicago NW Suburbs Franchisee since 3/23/06
730 Jamestowne Rd
Sleepy Hollow, IL 60118
Cell 224-520-3394
alanclark@groutdoctor com

James Bolnius
J B Solutions, Inc
Elmhurst/Lombard Franchisee since 3/27/08
23W635 Walnut Ave
Roselle, IL 60172
Cell 630-523-4243
jimbolnius@groutdoctor com

Steve Duffy
Orland Park/Tinley Park Franchisee since 10/20/09
16750 Winterberry Ln
Orland Park, IL 60467
Cell 708-738-4180
steveduffy@groutdoctor com

Alan Clark
JENLME, Inc
Schaumburg/Elgin Franchisee since 5/1/12
730 Jamestowne Road
Sleepy Hollow, IL 60118
Cell 224-520-3394
alanclark@groutdoctor com

Dennis & Micki Baran
M&D Services, Inc
St Charles/Naperville Franchisee since 2/1/02
P O Box 185
Wasco, IL 60185
Home 630-584-7351
dennisbaran@groutdoctor com
mickbaran@groutdoctor com

INDIANA
Roger Powless
Evansville Franchisee since 2/1/02
Non-Standard
7511 Broadview Dr
Newburgh, IN 47630
Cell 812-305-1129
rogerpowless@groutdoctor com

KENTUCKY
Kevin Olivia
Northern Kentucky Franchisee since 1/10/12
691 Napa Valley Lane, Apt 12
Crestview Hills, KY 41017
Cell 513-315-9515
kevinolivia@groutdoctor com

MASSACHUSETTS
Sean DeVall
Springfield/Hampden Co Franchisee since 08/10/07
14 Pomeroy Ln
Somers, CT 06071
Cell 413-219-1924
seandevall@groutdoctor com

MICHIGAN
Andrew Wittenberg
The IvyLilly Group, LLC
Flint South Franchisee since 7/1/13
1822 Hunter's Run Dr
Grand Blanc, MI 48439
Cell 810-814-0190
andrewwittenberg@groutdoctor com

David Wegener
David M Wegener, LLC

GEORGIA

Rochester Hills Franchisee since 7/26/05
844 Baylor Rd
Rochester Hills, MI 48309
Cell 248-505-8136
davidwegener@groutdoctor com

David Wegener
David M Wegener, LLC
West Bloomfield Franchisee since 5/13/09
844 Baylor Rd
Rochester Hills, MI 48309
Cell 248-505-8136
davidwegener@groutdoctor com

MINNESOTA
Allen Grundmeier
Allen Grundmeier Contracting
Minneapolis Franchisee since 9/01/02
4212 France Ave, S
Edina, MN 55410
Cell 612-432-8453
allengrundmeier@groutdoctor com

MISSOURI
Andrew Worley
ATW Industries, Inc
Kansas City Franchisee since 6/1/06
P O Box 9412
Kansas City, MO 64133
Cell 816-820-4930
andrewworley@groutdoctor com

NEBRASKA
Frank and Jennifer Allen
The Olive Company
Omaha Franchisee since 10/22/09
3305 S 120th St
Omaha, NE 68144
Cell 402-250-3582
frankallen@groutdoctor com

NEW YORK
Steven Confessore
Amrett Services Inc
Brooklyn South Franchisee since 10/21/11
330 101st St, #35D
Brooklyn, NY 11209
Cell 718-208-7466
steveconfessore@groutdoctor com

NORTH CAROLINA
Larry White
Ceramic Services, Inc

Charlotte Franchisee since 6/16/03
12115 Windfall Place
Pineville, NC 28134
Cell 704-763-1220
larrywhite@groutdoctor com

Peter Lamb
Grout, Tile & Stone Pros
Raleigh/Cary Franchisee since 5/31/16
245 E Julia St
Angier, NC 27501
Cell 919-753-3441
peterlamb@groutdoctor com

OHIO
Jeff Karam
Cincinnati East Franchisee since 8/25/10
5438 Bailey Dr
Milford, OH 45150
Cell 513-295-4777
jeffkaram@groutdoctor com

Melvin Grills
Melvin C Grills, LLC
Cleveland SE Franchisee since 5/1/09
25681 Nichols Rd
Columbia Station, OH 44028
Cell 440-773-8904
melgrills@groutdoctor com

Melvin Grills
Melvin C Grills, LLC
Cleveland West Franchisee since 4/21/08
25681 Nichols Rd
Columbia Station, OH 44028
Cell 440-773-8904
melgrills@groutdoctor com

Fred Jaconette
J&D Grout and Tile Services
Columbus Franchisee since 10/15/01
4490 Home Rd
Powell, OH 43065
Cell 614-264-4397
fredjaconette@groutdoctor com

OREGON
Gary & Sam Webb
Eugene-Springfield-Corvallis
Franchisee since 3/19/11
2038 N 2nd St
Springfield, OR 97477
Cell 541-606-4536
garywebb@groutdoctor com

SOUTH CAROLINA
Rich Chapella
RC Connections, LLC
Lexington Franchisee since 2/8/10
541 Harbour Place Ct
Lexington, SC 29072
Cell 803-730-6826
richchapella@groutdoctor com

TENNESSEE
Bill Matasick
WM2 Ventures LLC
Nashville Franchisee since 6/7/13
4308 Gallant Ridge Dr
Franklin, TN 37064
Cell 615-925-0252
billmatasick@groutdoctor com

TEXAS
Clayton Householder
Household Service Industries, LLC
Arlington Franchisee since 10/11/12
7504 Stoney Point Dr
Plano, TX 75025
Cell 214-315-7996
claytonhouseholder@groutdoctor com

Matt & Chelsey Haeffner
Haeffner, LLC
Austin Franchisee since 1/15/15
1315 Windy Hill Rd
Salado, TX 76571
Cell 512-514-3060
matthaeffner@groutdoctor com

Clayton Householder
Household Service Industries, LLC
Southlake/Colleyville Franchisee since 3/1/15
7504 Stoney Point Dr
Plano, TX 75025
Cell 214-315-7996
claytonhouseholder@groutdoctor com

Chad Roberts
Carrolton Franchisee since 12/31/07
15090 Snowshill Dr
Frisco, TX 75035
Cell 469-446-8716

chadroberts@groutdoctor com

Clayton Householder
Household Service Industries, LLC
Flower Mound Franchisee since 3/1/15
7504 Stoney Point Dr
Plano, TX 75025
Cell 214-315-7996
claytonhouseholder@groutdoctor com

Clayton Householder
Household Service Industries, LLC
Garland/Mesquite/Rowland, Rockwell Franchisee since 11/15/13
7504 Stoney Point Dr
Plano, TX 75025
Cell 214-315-7996
claytonhouseholder@groutdoctor com

Clayton Householder
Household Service Industries, LLC
McKinney Franchisees since 9/1/15
7504 Stoney Point Dr
Plano, TX 75025
Cell 214-315-7996
claytonhouseholder@groutdoctor com

Timothy & Michelle Garner
North Dallas Franchisee as of 12/31/07
1301 Embercrest Dr
Midlothian, TX 76065
Cell 469-231-1675
timothygarner@groutdoctor com

Timothy & Michelle Garner
Plano/Richardson Franchisee since 3/25/15
1301 Embercrest Dr
Midlothian, TX 76065
Cell 469-231-1675
timothygarner@groutdoctor com

UTAH
Randy James
Kinemetrix, LLC
Salt Lake City/Ogden Franchisee since 9/1/04
1940 Evergreen Ave
Salt Lake City, UT 84106
Cell 801-243-8298
randyjames@groutdoctor com

Matthew and Julianna Ahrend
Got Grout, Inc
South Valley & West Side Franchise since 7/1/2005
760 East 3155 South
Salt Lake City, UT
Cell 801-381-4967
matthewahrend@groutdoctor com
julianna@groutdoctor com

VIRGINIA
Richard & Christine Williamson
The W & W Management Co , Inc
Fairfax Franchisee since 6/29/15
270 Branch Creek Way
Stafford, VA 22556
Cell 703-906-7695
richardwilliamson@groutdoctor com

Andrew Blanton
LAX Ventures, LLC
Roanoke/Lynchburg Franchisee since 7/28/16
1701 Arlington Rd SW
Roanoke, VA 24015
Cell 540-330-7139
andrewblanton@groutdoctor com

WASHINGTON
John Start
Trustart, Inc
Seattle Franchisee since 10/01/02
10288 NE 129th Lane
Kirkland, WA 98034
Cell 425-681-3409
johnstart@groutdoctor com

Steve and Sandi Paradiso
Tri Cities Franchisee since 8/13/02
1114 S Harrison St
Kennewick, WA 99338
Cell 509-308-6373
steveparadiso@groutdoctor com
sandiparadiso@groutdoctor com

WISCONSIN
Daniel Platow
Platow Enterprises, LLC
Milwaukee SW Franchisee since 12/30/03
W199 S 8565 Bendingbrae Dr
Muskego, WI 53150
Cell 262-617-0645
danplatow@groutdoctor com

Derek & Joy Meinen
Background Productions
N Milwaukee-Ozaukee-Washington Franchisee since 9/21/10
N120 W14708 Freistadt Road
Germantown, WI 53022
Cell 262-422-1920
derekmeinen@groutdoctor com

EXHIBIT G – 2
TO DISCLOSURE DOCUMENT

LICENSEES
INDEPENDENT GROUT DOCTORS
As of December 31, 2016

Mathew Belina
Concord Licensee since 12/27/02
1809 Landana Drive
Concord, CA 94519
Home 925-827-5683
mathewbelina@groutdoctor com

Charlie Mitchell
Fresno Licensee since 12/27/02
9331 E Mesa
Clovis, CA 93611
Home 559-262-4665
charliemitchell@groutdoctor com

Charles Pellicci
Oakland Licensee since 12/27/02
565 Bellevue Ave, Ste #1106
Oakland, CA 94610
Home 510-893-0463
charlespellicci@groutdoctor com

EXHIBIT G – 3
TO DISCLOSURE DOCUMENT

GROUT DOCTOR GLOBAL FRANCHISE CORP

SCHEDULE OF FORMER FRANCHISES AND LICENSEES
As of December 31, 2016

Bruce & Linda Reid
Santa Clara County Franchisee since 2/1/13
1320 Saddle Horn Ridge
Mesquite, NV 89027
Cell 408-234-0561
Ceased Operations 8/9/16

Daniel and Jane Korninhizer
St Louis Franchisee since 8/01/02
2510 Millrace Drive
St Peters, MO 63376
Cell 636-219-3565
Ceased Operations 10/15/16

EXHIBIT G – 4
TO DISCLOSURE DOCUMENTS

GROUT DOCTOR GLOBAL FRANCHISE CORP

SCHEDULE OF TRANSFERRED FRANCHISES
As of December 31, 2016

TRANSFERREES WHO SOLD ONE OR MORE OF THEIR GROUT DOCTOR FRANCHISES BUT REMAIN IN THE SYSTEM OWNING ONE OR MORE GROUT DOCTOR FRANCHISES	TRANSFEREES WHO SOLD THEIR FRANCHISE AND NO LONGER OWN A GROUT DOCTOR FRANCHISE
None	Brian and Shannon Hutchinson S&B Enterprises LLC Tampa N Franchisee since 12/28/04 12762 Standbridge Dr Riverview, FL 33569 Cell 813-453-4613 Transferred 3/1/16 Brian and Shannon Hutchinson S&B Enterprises LLC Tampa SE Franchisee since 8/30/05 Non Standard 12762 Standbridge Drive Riverview, FL 33569 Cell 813-453-4613 Transferred 3/1/16

EXHIBIT G – 5
TO DISCLOSURE DOCUMENT

GROUT DOCTOR GLOBAL FRANCHISE CORP

SCHEDULE OF AFFILIATE-OWNED UNITS
As of December 31, 2016

ARIZONA - Tucson
Grout Doctor Global Development LLC
Commencement Date 10/1/15
2150 S 1300 East, Suite 500
Salt Lake City, UT 84106
Phone 801-487-5579
gdgdllc@groutdoctor com

PENNSYLVANIA - Philadelphia (Northwest)
Grout Doctor Global Development LLC
Commencement Date 6/7/16
2150 S 1300 East, Suite 500
Salt Lake City, UT 84106
Phone 801-487-5579
gdgdllc@groutdoctor com

TEXAS - Houston
Grout Doctor Global Development LLC
Commencement Date 10/1/15
2150 S 1300 East, Suite 500
Salt Lake City, UT 84106
Phone 801-487-5579

VIRGINIA – Richmond 1
Grout Doctor Global Development LLC
Commencement Date 9/1/15
2150 S 1300 East, Suite 500
Salt Lake City, UT 84106
Phone 801-487-5579
gdgdllc@groutdoctor com

VIRGINIA – Richmond 2
Grout Doctor Global Development LLC
Commencement Date 9/1/15
2150 S 1300 East, Suite 500
Salt Lake City, UT 84106
Phone 801-487-5579
gdgdllc@groutdoctor com

FORMER AFFILIATES

IOWA – Des Moines
Grout Doctor Global Development LLC
Commencement Date 11/1/15
2729 So Melbourne Street
Salt Lake City, UT 84106
Phone 801-487-5579
gdgdllc@groutdoctor com

IDAHO - Boise
Grout Doctor Global Development LLC
Commencement Date 11/1/15
2729 So Melbourne Street
Salt Lake City, UT 84106
Phone 801-487-5579
gdgdllc@groutdoctor com

EXHIBIT "H"
TO THE DISCLOSURE DOCUMENT

STATE ADDENDA

ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF FOR THE STATE OF CALIFORNIA

1 The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the disclosure document

2 Neither Grout Doctor Global Franchise Corp nor any person or franchise broker in Item 2 or Exhibit K of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U S C A 78a et seq , suspending or expelling such persons from membership in such association or exchange

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

4 The franchise agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C A Sec 101 et seq)

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

6 Prospective franchisees are encourage to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California

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

8 Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise

9 You must 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)

10 Item 19 of the Franchise Disclosure Document is amended to include the following The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business Franchisees or former franchisees, listed in the disclosure document may be one source of this information

11 OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS ANY COMPLAINTS CONCERNING THE CONTENTOF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS at www corp ca gov

12 California law requires you to obtain a Contractor's License from the California Contractors State License Board (CSLB) if the total cost (labor and materials) of one or more contracts on a project is $500 or more Licenses may be issued to individuals, partnerships, corporations, or joint ventures The CSLB does not issue licenses to Limited Liability Companies (LLCs)

13 Item 5 of the Franchise Disclosure Document is modified to include the following

Payment of all initial franchise fees owed to the franchisor, or its affiliate, by the franchisee shall be deferred until after all initial obligations owed to the franchisee under the franchise agreement or other agreements have been fulfilled by the franchisor

ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF FOR THE STATE OF HAWAII

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

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

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

Registered agent in the state authorized to receive service of process

Hawaii Commissioner of Securities of the
Department of Commerce and Consumer Affairs
335 Merchant Street, Room 2003
Honolulu, Hawaii 96813
(808) 586-2722

1 The Hawaii 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

2 Hawaii Revised Statutes, Title 26, Chapter 482E, Section 482E-6 provide rights to the franchisee concerning termination or non-renewal of a franchise If the franchise agreement contains a provision that is inconsistent with Hawaii law, the law will control

3 The franchise agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C A Sec 101 et seq)

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

5 The franchise agreement requires application of the laws of the State of Utah This provision may not be enforceable under Hawaii law

6 The franchise agreement requires you to purchase certain goods from designated sources of supply This provision may not be enforceable under Hawaii law unless such restrictive purchasing agreements are reasonably necessary for a lawful purpose justified on business grounds

7 Upon termination or refusal to renew the franchise, Hawaii law requires that the franchisee be compensated for the fair market value of the franchisees inventory, supplies, equipment and furnishings purchased from the franchisor or a supplier designated by the franchisor, provided that personalized materials which have no value to the franchisor need not be compensated for If the franchisor refuses to renew a franchise for the purpose of converting the

franchisees business to one owned and operated by the franchisor, the franchisor, in addition to the remedies provided in this paragraph, shall compensate the franchisee for the loss of goodwill The franchisor may deduct from such compensation reasonable costs incurred in removing, transporting and disposing of the franchisees inventory, supplies, equipment, and furnishings pursuant to this requirement, and may offset from such compensation any monies due the franchisor

ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF FOR THE STATE OF ILLINOIS

- 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 815 ILCS 705/41 (West 2010)

- Illinois law governs the Franchise Agreement and other agreements between the parties

- Any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside the State of Illinois is void, provided that a Franchise Agreement may provide for arbitration in a forum outside of Illinois

ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF FOR THE STATE OF INDIANA

Notwithstanding anything to the contrary set forth in the Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Indiana

1 The laws of the State of Indiana supersede any provisions of the Franchise Agreement, the other agreements or Utah law if such provisions are in conflict with Indiana law

2 Under Indiana law, Franchisor may not terminate this Agreement without good cause or in bad faith Franchisor may, however, terminate this Agreement in the event of any material violation specified in the Franchise Agreement

3 Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the Franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement issued in the State of Indiana

ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF FOR THE STATE OF MARYLAND

Effective date of registration in Maryland _____

The disclosure document is amended to add the following

Item 5 of the disclosure document is specifically amended to include the following The initial franchise fee and all other initial fees, including required payments for equipment, services or goods received from the franchisor and/or its affiliates prior to the franchise business opening, are not due until all of franchisor's pre-opening obligations have been completed and the franchise business has opened

Under the Maryland Franchise Registrations and Disclosure Law, Md Code Ann Bus Reg §14-201 et seq , no general release shall be required as a condition of renewal and/or transfer which is intended to exclude claims under the Maryland Franchise Registration and Disclosure Law

Any litigation between franchisee and franchisor may be instituted in any court of competent jurisdiction, including a court in the State of Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law

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

In the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, Maryland law shall prevail

The Franchise Agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C Section 101, et seq)

Item 17 of the disclosure document is amended to include the following The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT,, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE

The Grout Doctor Global Franchise Corp Disclosure Document for use in the State of Minnesota is modified in accordance with the following

1 Item 13 of the Disclosure Document on "Trademarks" is amended by the addition of the following language to the original language that appears therein

"In the event Franchisee's right to the use of any name, mark or commercial symbol licensed hereunder is the subject of any claim, suit or demand (a "threat"), Franchisor shall either defend Franchisee against the threat or indemnify Franchisee from any loss, costs or expenses arising therefrom, provided and on condition, Franchisee

A Delivers to Franchisor prompt written notice of the threat,
B Grants Franchisor written authorization to take unrestricted control over the defense and settlement of the threat with counsel of its choice,
C Did not cause or give rise to the threat due to a material failure to comply with Franchisor's previously communicated trademark usage requirements,
D Cooperates promptly and fully with Franchisor in the defense, mitigation, and/or settlement of the threat, and
E Does not jeopardize or compromise any right, defense, obligation or liability of Franchisor, by making any statement to, or entering into any agreement with, the threatening party which does not have the advance written consent of Franchisor, unless required by applicable law "

2 Item 17 of the Disclosure Document is amended by the addition of the following language to the original language that appears therein

"With respect to franchises governed by Minnesota law Franchisor will comply with Minn Stat Sec 80C 14, Subd 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement "

"Minnesota Law prohibits franchisors from requiring its franchisees to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability Therefore, Franchisee shall not be required to agree to subsequently execute a general release of any and all claims against Franchisor and its affiliates, their officers, directors, employees and agents "

"Minn Stat Sec 80C 21 and Minn Rule Part 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction "

ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK

RISK FACTORS

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

The Grout Doctor Global Franchise Corp Franchise Disclosure Document for use in the State of New York is modified in accordance with the following

1 Item 3 is amended to state that neither ourselves nor our affiliates, nor any person identified in Item 2 of the disclosure document

a) Has any pending administrative, criminal or material civil or arbitration proceedings (or a significant number of civil actions irrespective of materiality) alleging a violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations, nor have they had any such proceedings during the preceding 10 year period

b) Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of a misdemeanor or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding if such misdemeanor conviction or charge or civil action, complaint or other legal proceeding involved violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations

c) Is subject to any injunctive or restrictive order or decree relating to franchises or under any Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange, or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including action affecting a license as a real estate broker or sales agent

2 Item 4 is amended to state that neither the Company nor any affiliate, predecessor, officer or general partner of the franchisor has, during the 10 year period immediately preceding the date of the disclosure document (a) filed as debtor (or had filed against it) a petition to start an action under the US Bankruptcy Code, (b) obtained a discharge of its debts under the bankruptcy code, or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the US Bankruptcy Code or that obtained a discharge of its debts under the US Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership

3 Item 5 is amended to include the following statement

The Initial Franchise Fee includes the startup package which contains tools, some initial product and supplies, a uniform and printed items as described in the franchise agreement The Initial Franchise Fee also covers our costs in providing you with initial training at a location designated by us, but you must pay the cost of travel, food and lodging to attend the required training

4 Item 17 is amended by beginning with the following statement

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

5 Item 17d of the disclosure document and Section 10 of the Franchise Agreement are hereby amended to state that you may terminate the agreement on any grounds available by law

6 Item 17w of the disclosure document and Section 14 7 of the Franchise Agreement are amended to state the following

THE FOREGOING CHOICE OF LAW SHOULD NOT BE CONSIDERED A WAIVER OF ANY RIGHTS CONFERRED UPON THE FRANCHISOR OR UPON THE FRANCHISEE BY THE GENERAL BUSINESS LAW OF THE STATE OF NEW YORK, ARTICLE 33

The Company represents that this disclosure document does not knowingly omit anything or contain any untrue statement of material fact

ADDENDUM TO THE DISCLOSURE DOCUMENT FOR THE STATE OF RHODE ISLAND

The following language applies to any franchise agreement issued in the State of Rhode Island,

Section 19-28 1-14 of the Rhode Island Franchise Investment Act dictates 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 "

Section 19-28 1-5 of the Rhode Island Franchise Investment Act states that, "A condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty or liability imposed by a right provided by this Act or a rule or order under this Act is void An acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentations or action that would violate this Act or a rule or order under this Act This section shall not affect the settlement of disputes, claims or civil lawsuits arising or brought under this Act "

ADDENDUM TO THE DISCLOSURE DOCUMENT FOR THE STATE OF VIRGINIA

Additional Disclosure The following statements are added to Item 17 h

Pursuant to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable

Pursuant to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable

ADDENDUM TO THE DISCLOSURE DOCUMENT
STATE REGULATIONS

FOR THE STATE OF WASHINGTON

The state of Washington has a statute, RCW 19 100 180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise

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

If there is, if of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail

A release or waiver of rights signed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when signed pursuant to a negotiated settlement after the agreement is in effect where the parties are represented by independent counsel Provisions this or these 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

Transfer fees are collectable if they reflect the Franchisor=s reasonable estimated or actual costs in effecting a transfer

ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF FOR THE STATE OF WISCONSIN

This Addendum is to a Franchise Agreement dated _____, 20__between Grout Doctor Global Franchise Corp and _____(Franchisee) to amend said Agreement by including the following language

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provisions of the Franchise Contract or Agreement if such provisions are in conflict with that law

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum, understands and consents to be bound by all of its terms, and agrees it shall become effective the _____ day of _____, 20____

Franchisor
GROUT DOCTOR GLOBAL FRANCHISE CORP

By _____
Title _____

Franchisee

_____

By _____
Title _____

EXHIBIT I
TO DISCLOSURE DOCUMENT

GDD – Grout Doctor Data Center Services

Please complete the attached enrollment form and fax it to 877-615-2173 as soon as possible Please feel free to call Reggie at 877-476-8800, Extension 712 if you have any questions

1 REGULAR SERVICE - $135 00 PER MONTH

- Voice Mail messages are retrieved and notification sent 2x day (7-9 am and 4-6 pm) M-F (except on 5 major holidays)
- Messages are input into your Grout Doctor Franchise Management Software
- Urgent or time sensitive messages will be e-mailed to the address(es) designated in your Grout Doctor Franchise Management Software when they are retrieved If no cellular e-mail is listed, we will call your cellular number
- Free estimate web leads are forwarded to the e-mail addresses designated in your Franchise Management Software
- Each month, a minimum of 5 Customer Service Surveys will be performed on your prospects/customers
-

OPTIONAL

- Saturday AM Message Retrieval and Distribution - $15 00 mo

2 EXPANDED SERVICE - $165 00 PER MONTH

This service includes all of the above services plus

- Voice mail messages are retrieved, entered into your Grout Doctor Franchise Management Software and emailed 3Xdaily (7-9am, 11am-1pm and 4-6pm) M-F (except on 5 major holidays) or you may request notification when each call is received at your assigned Grout Doctor phone number
- Saturday morning messages are retrieved and emailed between 11 am and 2 pm

IMPORTANT NOTE Messages are distributed to the email addresses you designate in your Grout Doctor Franchise Management Software Every effort will be given to accommodate special requests for variations in time that messages are distributed

TERMS / PAYMENT OPTIONS

- Payments are due on the 1st of each month by automatic bank draft or credit card payment
- Add $5 per month for receiving messages by fax instead of email
- Add $5 per month for monthly invoicing/payment by faxed check

Enrollment Agreement for Services
Grout Doctor Data (GDD)
E-Mail gdd@groutdoctor com
Phone 877-476-8800 Ext 726
Fax 877-615-2173

Start Date	Grout Doctor Voice Mail #
Grout Doctor Name	Home Phone Number
Cellular Service Provider	Cellular Phone Number
Cellular E-Mail Address (if known)	Fax Number (if applicable

Please list any other names that may be mentioned in customer messages, such as spouse, secretary, technicians, etc

Please select one of the following service options and all other options desired

- ☐ REGULAR SERVICE $135 mo (messages 2 x day, between 7-9am and 4-6pm)
- ☐ Optional Saturday Message Retrieval and Distribution - $15 per month
- ☐ EXPANDED SERVICE $165 mo (messages 3x day, 7-9am, 11-1pm, 4-6pm) or notification as call received

Please list any special requests for alternate message times here _____

- ☐ Add $5 00 per month for monthly invoicing (otherwise automatic bank draft or credit card payment is required)
- ☐ Add $5 00 per month for faxing services
- ☐ Add $5 00 per month for payment by check (faxed check is required)

Messages will be e-mailed to the address(es) designated in your Grout Doctor Franchise Management Software
Urgent/time sensitive messages will be e-mailed to the addresses designated in your Grout Doctor Franchise Management Software
If no cellular e-mail is available, we will call your cellular number to relay urgent/time sensitive messages

I/we understand and agree to the following conditions and fees

A 10% late fee will be applied to all payments received after the 10th of each month
Data center services may be interrupted if payment is not received by the 30th of each month
Data center services may be interrupted if other fees due to GDGF or other Grout Doctor affiliates are not received by the 10th of each month
There is a $25 NSF fee and after 2 occurrences, an alternative payment method will be required

By executing this agreement, I acknowledge and agree to the sharing of information between GDGF, GDD, and other Grout Doctor affiliates

Grout Doctor's Signature _____ Date _____

ATTACHMENT A
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 Grout Doctor Global Franchise Corp 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 New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first

If Grout Doctor Global Franchise Corp does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and the state administrator listed in Exhibit C

The franchisor is Grout Doctor Franchise Corp located at 2150 South 1300 East, Suite 500, Salt Lake City, Utah 84106 The franchisor's phone number is (877) 476 -8800, Extension 712

The names, addresses and phone numbers of each franchise seller offering this franchise is as follows

NAME	ADDRESS	PHONE NUMBER
James C Sneyd	610 Sagewood Ct, Woodstock, GA 30189	404-597-4615

The issuance date of this disclosure is April 1, 2017

Grout Doctor Global Franchise Corp authorizes the respective state agencies identified on Exhibit D to receive service of process for it in the particular state

I received a disclosure document dated April 1, 2017 that included the following Exhibits

A Franchise Agreement and its Exhibits
- A-1 Territory
- A-2 Company Representations and Warranties
- A-3 Principal Confidentiality and Non-Competition Agreement
- A-4 Employee Confidentiality and Non-Competition Agreement
- A-5 Approved Grout Doctor Services
- A-6 New Franchisee Start-Up Package
- A-7 ACH Agreement
- A-8 State Specific Addenda

B Financial Statements

C List of State Administrators responsible for Franchise Disclosure and Registration Laws

D List of Agents for Service of Process

E Release Agreement

F Table of Contents of Operations Manual

G Schedule of Franchisees and Locations of Grout Doctor Global Franchise Corp

H State Addenda (if applicable)

I Grout Doctor Data Center Enrollment Form Receipts

Please sign and print your name below, date and return one copy of this receipt to Grout Doctor Global Franchise Corp and keep the other for your records Date _____

_____	_____
Prospective Franchisee's Signature	Prospective Franchisee's Signature
_____	_____
Printed Name	Printed Name
_____	_____
By (Officer of Legal Entity)	Printed Legal Name of Entity

Retain this copy for your records

ATTACHMENT B
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 Grout Doctor Global Franchise Corp 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 New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first

If Grout Doctor Global Franchise Corp does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and the state administrator listed in Exhibit C

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Please sign and print your name below, date and return one copy of this receipt to Grout Doctor Global Franchise Corp and keep the other for your records Date _____

Prospective Franchisee's Signature	Prospective Franchisee's Signature
Printed Name	Printed Name
By (Officer of Legal Entity)	Printed Legal Name of Entity

Return this copy to us