

FRANCHISE DISCLOSURE DOCUMENT



AdvantaClean Systems, Inc.
A North Carolina Corporation
107 Parr Drive
Huntersville, North Carolina 28078
Phone: (877) 800-2382
Email: franchise@advantaclean.com
Website: www.advantacleanfranchise.com

Our franchise involves a method for the operation, marketing, promotion, advertising and managing of an AdvantaClean Environmental franchised business that offers and sells certain environmental services, which Franchisor approves and may modify from time to time, to residential and commercial properties utilizing Franchisor's proprietary marks and operating system (a "Franchised Business").

The total investment necessary to begin operation of an AdvantaClean Environmental Franchised Business is \$112,600 - \$219,000, which includes \$55,500 that must be paid to Franchisor or its affiliates prior to opening.

Franchisor also offers qualified individuals that enter into three franchise agreements to operate three Franchised Businesses, each with their own territory (the "Multi-Unit Offering"). Under the Multi-Unit Offering, each Franchised Business is governed by the terms of its respective franchise agreement, as well as a multi-unit addendum containing additional terms and conditions with respect to the operation of all three Franchised Businesses (the "Multi-Unit Addendum"). As part of the Multi-Unit Offering, you must only pay an initial franchise fee in connection with two of the three Franchised Businesses you are granted the right to own and operate totaling \$90,000 (the "Multi-Unit Fee"). The total initial investment for the Multi-Unit Offerings is \$168,600 - \$286,000 which includes \$100,500 that must be paid to Franchisor prior to opening.

Franchisor also offers qualified third parties the right to operate Regional Developer Businesses through which you can: (a) recruit others to own and operate Franchised Businesses within a given territory (the "Territory"); (b) provide training and other support services to franchisees within a given Territory; and (c) open your own Regional Developer-owned Franchised Businesses within the Territory. In exchange for providing these services, we will provide you with remuneration amounting to a certain percentage of the specific fees that are paid to us by Franchised Businesses within your Territory.

The total initial investment necessary to begin operating a Regional Developer Business will generally range from \$195,100 - \$375,000 which includes \$135,500 - \$210,500 that must be paid to the Franchisor prior to opening. This includes a regional developer fee equal to \$125,000 to operate in a development territory with a population of no more than 2 million persons or \$200,000 to operate in a development territory with a population of no more than 4 million persons (the "Regional Developer Fee") that must be paid to the Franchisor prior to opening as well as \$10,500 that must be paid to the franchisor or its affiliates. The estimated range also includes the amount a Regional Developer must pay in connection with opening its first Franchised Business within the Development Territory, which the Regional Developer will be required to open and operate unless the Regional Developer already owns and operates a Franchised Business. This fee range does not include the extra \$0.05 that must be paid as

part of the Regional Developer Fee for each person in the development territory granted under the Regional Developer Agreement over 4 million persons.

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 AdvantaClean Systems Home Office at 107 Parr Drive, Huntersville, North Carolina 28078 or call (877) 800-2382.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire 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.

The Issue Date of this disclosure document is April 21, 2014.

State Cover Page

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

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

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

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

1. THE FRANCHISE AGREEMENT, MULTI-UNIT ADDENDUM AND REGIONAL DEVELOPER AGREEMENT PERMIT YOU TO SUE US ONLY IN THE STATE OF NORTH CAROLINA. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT MAY ALSO COST MORE TO SUE US IN NORTH CAROLINA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT, MULTI-UNIT ADDENDUM AND REGIONAL DEVELOPER AGREEMENT STATE THAT NORTH CAROLINA LAW GOVERNS THESE AGREEMENTS. THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. SOME STATES HAVE LICENSING REQUIREMENTS PERTAINING TO CERTAIN ASPECTS OF THIS INDUSTRY THAT MAY REQUIRE A FEE, AN EXAMINATION, OR OTHER REQUIREMENTS BEFORE YOU CAN LEGALLY PERFORM THE SERVICES DESCRIBED IN THIS OFFERING.
4. IF THE FRANCHISEE OR REGIONAL DEVELOPER IS A BUSINESS ENTITY, EACH INDIVIDUAL OWNING AN INTEREST IN THE FRANCHISEE/REGIONAL DEVELOPER ENTITY AND THEIR RESPECTIVE SPOUSES MUST EXECUTE A PERSONAL GUARANTY. THIS PLACES THE PERSONAL ASSETS OF EACH FRANCHISE OWNER AND THEIR SPOUSE AT RISK.
5. YOU DO NOT RECEIVE AN EXCLUSIVE TERRITORY UNDER THE FRANCHISE AGREEMENT AND YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS THAT WE OWN, OR FROM OTHER CHANNELS OF DISTRIBUTION OF COMPETITIVE BRANDS WE OWN. DURING THE TERM OF THE FRANCHISE AGREEMENT, HOWEVER, WE WILL NOT OPEN, OR LICENSE A THIRD PARTY THE RIGHT TO OPEN, A FRANCHISED BUSINESS WITHIN YOUR TERRITORY.
6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We may 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.

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