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EXHIBIT "E"

FLOORS TO GO, LLC

FRANCHISE DISCLOSURE DOCUMENT

Dated March 18, 2016

STATE SPECIFIC ADDENDA

TO THE FRANCHISE DISCLOSURE DOCUMENT



FLOORS TO GO, LLC Franchise Disclosure Document

<u>Exhibit E-1</u>

violation of any franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or any comparable allegations

No person or company identified in Items 1 or 2 of this Disclosure Document is subject to any currently effective injunctive or restrictive order or decree relating to, or affecting, this franchise or any federal, state or Canadian franchise, securities, antitrust trade regulation or trade practices law as a result of a concluded or pending action or proceeding brought by a public agency

No person or company identified in Items 1 or 2 of this Disclosure Document has any material arbitration pending or has, during the ten (10) year period immediately preceding the date of this Disclosure Document, been a party to a material arbitration proceeding

No person or company identified in Items 1 or 2 of this Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U S C A § 78a *et seq*, suspending or expelling such persons from membership in such association or exchange

3 Item 17 shall be amended by the addition of the following

California Business and Professions Code §§20000 through 20043 provides rights to the franchisee concerning termination or non renewal of a franchise If the franchise agreement contains a provision that is inconsistent with the law, the law will control

The franchise agreement provides for termination upon bankruptcy This provision may not be enforceable under the federal bankruptcy law (11 USCA \$ 101 et seq)

The franchise agreement contains a liquidated damages clause Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable

The franchise agreement requires binding arbitration The arbitration will occur in Lee County, Florida with the costs being borne by the non prevailing party

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code 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

The franchise agreement requires application of the laws of Florida This provision may not be enforceable under California law

If you renew or transfer your franchise, you release us from any claims you may have California Corporations Code §31512 voids a <u>wavierwaiver</u> of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516)

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Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043)

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

<u>4.</u> The terms of Items 5. 7 and 10 of the Disclosure Document have been negotiated with other franchisees. A copy of all Negotiated Sales Notices filed in California in the last twelve months is attached as Attachment E 1.

California Disclosure

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