

FRANCHISE DISCLOSURE DOCUMENT



Perma Treat, Inc. a Nevada Corporation 61553 American Loop Bend, OR 97702 541.410.3070 terry@perma-treat.com www.perma-treat.com

Perma Treat, Inc. cleans, treats and repairs hard surfaces, including granite, tile and stone, using a special process and Perma Treat Products.

The total investment necessary to begin operation of a Perma Treat franchise is \$84,712 consisting of a \$50,000 initial franchise fee, \$13,500 in startup costs to run the business, and \$16,500 provided by the Franchisor.

As used in this document, "Franchisor" refers to Perma Treat, Inc., a Nevada corporation.

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this disclosure document and all 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 government 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 our office at 61553 American Loop, Bend, OR 97702 and (541) 410-3070.

The terms of your Franchise Agreement (also referred to as your "contract") will govern your franchise relationship. Do not 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, DC 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: _____

For Use In: WA



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 **Attachment 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 REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN DECHUTES COUNTY, OREGON. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN OREGON THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT REQUIRES THAT OREGON 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. THE FRANCHISOR HAS LIMITED OPERATING HISTORY. THE FRANCHISOR'S FINANCIAL RESOURCES MAY NOT BE ADEQUATE TO FUND THE FRANCHISOR'S PRE-OPENING OBLIGATION TO EACH FRANCHISEE AND PAY OPERATING EXPENSES.

4. THERE IS A RISK THAT SUPPLY OF PRODUCTS MAY BE INTERRUPTED. IF SUPPLIES ARE INTERRUPTED, THE BUSINESS WILL BE NEGATIVELY AFFECTED.

5. THE FRANCHISE AGREEMENT REQUIRES THE ESTABLISHMENT OF AN LLC, IN WHICH THE FRANCHISOR AND THE FRANCHISEE ARE BOTH MEMBERS.



6. THERE IS A MINIMUM REVENUE REQUIREMENT OF \$150,000 PER YEAR IN THE FIRST 2 YEARS, BEGINNING SIX MONTHS AFTER YOUR BUSINESS START DATE. IF YOU DO NOT MEET A MINIMUM SALES QUOTA OF \$150,000 PER YEAR IN THE FIRST 2 YEARS AND \$250,000 EVERY YEAR THEREAFTER, THE FRANCHISOR MAY TERMINATE YOUR FRANCHISE.

7. THE FRANCHISOR'S FINANCIAL STATEMENTS HAVE NOT BEEN AUDITED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT.

8. THERE MAY BE OTHER RISK FACTORS CONCERNING THIS FRANCHISE.

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:

Washington Pending

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