

AUG 31 2016

Department of  
Business Oversight

## FRANCHISE DISCLOSURE DOCUMENT



STEAMATIC, INC., a Texas Corporation  
3333 Quorum Drive, Suite 280  
Fort Worth, Texas 76137  
(817) 332-1575  
[bsims@steamatic.com](mailto:bsims@steamatic.com)  
[www.steamatic.com](http://www.steamatic.com)

Steamatic grants franchises to use Steamatic Technology to perform Steamatic Services including catastrophe restoration and cleaning services to both structure and contents, residential and commercial carpet, hard surface, window coverings and furniture cleaning, and other retail cleaning services such as cleaning of air ducts and ventilation systems. Steamatic offers multiple levels of franchises depending on the size of the territory, the equipment required and the Steamatic Services to be provided.

The total investment necessary to begin operation of a Steamatic franchise ranges from \$74,440.00 for a small market franchise located in a territory with a population of 75,000 or less, to \$173,490.00 for a territory with a population of up to 200,000. This includes an amount that must be paid to the franchisor or its affiliate(s), ranging from \$15,000.00 for a small market territory containing a population of 75,000 or less, to \$42,000.00 for a territory containing a population of up to 200,000. For territories with populations in excess of 200,000, the total investment increases by \$200 per 1,000, all of which must be paid to the franchisor or its affiliate(s).

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 William R. Sims at 3333 Quorum Drive, Suite 280, Fort Worth, Texas 76137, telephone no. (817) 332-1575.

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](http://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 issuance date of this Disclosure Document is August 10, 2016.

## 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.

Call the state franchise administrator listed in Exhibit H for information about the franchisor, about other franchisors, 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 OR ARBITRATION ONLY IN TARRANT COUNTY, TEXAS. OUT-OF-STATE LITIGATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO SUE OR ARBITRATE WITH US IN TEXAS THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT REQUIRES THAT TEXAS 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. A FRANCHISEE'S SPOUSE MAY BE REQUIRED TO SIGN A GUARANTY, MAKING THE SPOUSE JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS UNDER THE FRANCHISE AGREEMENT AND PLACING THE SPOUSE'S PERSONAL ASSETS AT RISK.
4. YOU MUST MAINTAIN MINIMUM GROWTH IN GROSS REVENUE EQUAL TO THE ANNUAL PERCENT INCREASE, IF ANY, IN THE COST OF LIVING AS MEASURED BY THE CONSUMER PRICE INDEX. IF YOU FAIL TO DO SO FOR MORE THAN TWO CONSECUTIVE YEARS THEN YOU WILL BE SUBJECT TO A PROBATIONARY PERIOD. IF YOU FAIL TO ACHIEVE THE REQUIRED GROWTH FOR THE PROBATIONARY PERIOD, THEN STEAMATIC MAY TERMINATE YOUR AGREEMENT.
5. 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.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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