

## FRANCHISE DISCLOSURE DOCUMENT



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STONE MOUNTAIN CARPET MILLS, INC.  
 DEPARTMENT OF REVENUE  
 BUSINESS OVERSIGHT  
 A MISSOURI CORPORATION  
 4301 Earth City Expressway  
 St. Louis, Missouri 63045-1334  
 (314) 506-0000  
 www.myfloortrader.com

The Franchisee will operate a Floor Trader Store which will sell discount floor coverings and related products to the retail trade.

The total investment necessary to begin operation of a Floor Trader franchise ranges from \$283,500 to \$594,500. This includes \$88,500 to \$138,500 that must be paid to the franchisor or its 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.**

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 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.

ISSUANCE DATE: December 23, 2013

## 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 IV** 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 ST. LOUIS COUNTY, MISSOURI. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN MISSOURI THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT REQUIRES THAT MISSOURI 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. SUBJECT TO STATED LIMITATIONS IN THE FRANCHISE AGREEMENT, YOU ARE GRANTED EXCLUSIVITY IN YOUR AREA. IF YOU FAIL TO MEET OR EXCEED THE BASE MARKET SHARE AS DESCRIBED IN THE FRANCHISE AGREEMENT, YOU WILL LOSE EXCLUSIVITY.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Dates:

State	Effective Date	State	Effective Date
California	<hr style="width: 100%;"/>	Illinois	6.28.2013
Florida	5.16.2013	Maryland	9.11.2013
Indiana	5.5.2013	Minnesota	7.8.2013
Michigan	5.5.2013	Rhode Island	6.28.2013
New York	7.11.2013	South Dakota	2.1.2013
Virginia	8.11.2013	Washington	3.27.2013
Wisconsin	10.29.2013		

## TABLE OF CONTENTS

ITEM 1. The Franchisor and any Parents, Predecessors, and Affiliates .....	5
ITEM 2. Business Experience .....	6
ITEM 3. Litigation.....	8
ITEM 4. Bankruptcy.....	8
ITEM 5. Initial Fees .....	8
ITEM 6. Other fees.....	8
ITEM 7. Estimated Initial investment .....	13
ITEM 8. Restrictions on Sources of Products and Services .....	15
ITEM 9. Franchisee’s Obligations .....	18
ITEM 10. Financing .....	19
ITEM 11. Franchisor’s Assistance, Advertising, Computer Systems, and Training.....	19
ITEM 12. Territory .....	29
ITEM 13. Trademarks .....	31
ITEM 14. Patents, copyrights and proprietary information.....	33
ITEM 15. Obligation to Participate in the Actual Operation of the Franchise Business.....	33
ITEM 16. Restrictions on What the Franchisee May Sell.....	34
ITEM 17. Renewal, Termination, Transfer and Dispute Resolution.....	34
ITEM 18. Public figures .....	36
ITEM 19. Financial Performance Representations .....	32
ITEM 20. Outlets and Franchisee Information .....	33
ITEM 21. Financial statements.....	40
ITEM 22. Contracts.....	40
ITEM 23. Receipts.....	41

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