

FRANCHISE DISCLOSURE DOCUMENT
GROUT DOCTOR GLOBAL FRANCHISE CORP.

A Nevada Corporation
2150 South 1300 East, Suite 500
Salt Lake City, Utah 84106
(877) 476-8800
www.groutdoctor.com



As a franchisee you will operate a mobile service franchise program known as THE GROUT DOCTOR®, specializing in residential and light commercial grout, tile and stone cleaning, sealing, re-coloring, repair, re-grouting and re-caulking maintenance services, refinishing, permanent protective coatings and other supplemental services.

The total initial investment necessary to begin operation of a Grout Doctor® franchise is \$20,435 - \$33,445. This includes the \$12,000 - \$16,000 that must be paid to the franchisor or 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.**

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 Grout Doctor Global Franchise Corp. at 2150 South 1300 East, Suite 500, Salt Lake City, Utah 84106 and (877) 476-8800, Extension 711.

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 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: March 23, 2018

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 “C”** 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 ARBITRATION ONLY IN SALT LAKE COUNTY, UTAH. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN UTAH THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT REQUIRES THAT UTAH 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. YOU MUST PAY A MINIMUM MONTHLY ROYALTY FEE OF BETWEEN \$574.50 AND \$766.00 (THIS IS AN APPROXIMATION BASED ON THE NUMBER OF OWNER OCCUPIED HOUSEHOLDS IN YOUR TERRITORY) AND A MONTHLY MESSAGE RETRIEVAL FEE OF \$125.00, EVEN IF YOU HAVE NO REVENUE.
4. PLEASE NOTE THAT 77% OF GROUT DOCTOR GLOBAL FRANCHISE CORP’S TOTAL ASSETS ARE INTANGIBLE. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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.

Effective Date: See the next page for state effective dates.

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:

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| California: | Minnesota: |
| Connecticut: March 27, 2008 | New York: |
| Florida: August 27, 2017 | Rhode Island: |
| Hawaii: | Texas: May 9, 2006 |
| Illinois: | Utah: November 18, 2017 |
| Indiana: | Virginia: |
| Maryland: | Washington: |
| Michigan: | Wisconsin: |

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