

## FRANCHISE DISCLOSURE DOCUMENT



MilliCare Franchising, LLC  
(A Delaware Limited Liability Company)  
6700 Forum Drive, Suite 150  
Orlando, FL 32821  
800-883-0154  
www.MilliCare.com

The franchise offered is for a MilliCare® Floor & Textile Care business which will provide interior finishes and interior furnishings, tile and grout, and related services in commercial, industrial, and office properties.

The total investment necessary to begin operation of a new MilliCare® franchise is \$198,500 to \$253,000. This includes \$49,000-\$54,000 that must be paid to us.

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 David Wells at MilliCare Franchising, LLC, 6700 Forum Drive, Suite 150, Orlando, Florida 32821.

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.

Issuance Date: April 1, 2025

## Special Risks to Consider About *This* Franchise

Certain states require the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration ~~and/or~~ litigation only in ~~the city and state of our then-current National Headquarters (presently Orlando, Florida).~~ Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with ~~the franchisor in the city and state of our then-current National Headquarters (presently Orlando, Florida)~~ than in your own state.
2. **Mandatory Minimum Payments.** You must make mandatory minimum royalty payments or advertising fund payments regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.
3. **Short Operating History.** The franchisor is at an early stage of development and has limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
4. **Financial Condition.** The guarantor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
5. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state require other risks to be highlighted.

## TABLE OF CONTENTS

<del>ITEM 1: THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES .....</del>	<del>8</del>
<del>ITEM 2 BUSINESS EXPERIENCE.....</del>	<del>12</del>
<del>ITEM 3: LITIGATION .....</del>	<del>13</del>
<del>ITEM 4: BANKRUPTCY .....</del>	<del>13</del>
<del>ITEM 5: INITIAL FEES .....</del>	<del>13</del>
<del>ITEM 6 OTHER FEES.....</del>	<del>15</del>
<del>ITEM 7: ESTIMATED INITIAL INVESTMENT .....</del>	<del>20</del>
<del>ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES .....</del>	<del>22</del>
<del>ITEM 9 FRANCHISEE’S OBLIGATIONS .....</del>	<del>24</del>
<del>ITEM 10: FINANCING .....</del>	<del>25</del>
<del>ITEM 11: FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING .....</del>	<del>26</del>
<del>ITEM 12: TERRITORY.....</del>	<del>31</del>
<del>ITEM 13: TRADEMARKS.....</del>	<del>34</del>
<del>ITEM 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION.....</del>	<del>35</del>
<del>ITEM 15: OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE- BUSINESS .....</del>	<del>36</del>
<del>ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....</del>	<del>36</del>
<del>ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION .....</del>	<del>37</del>
<del>ITEM 18: PUBLIC FIGURES .....</del>	<del>40</del>
<del>ITEM 19: FINANCIAL PERFORMANCE REPRESENTATIONS .....</del>	<del>40</del>
<del>ITEM 20: OUTLETS AND FRANCHISEE INFORMATION .....</del>	<del>42</del>
<del>ITEM 21: FINANCIAL STATEMENTS.....</del>	<del>46</del>
<del>ITEM 22: CONTRACTS .....</del>	<del>46</del>
<del>ITEM 23: RECEIPTS.....</del>	<del>46</del>
<u>ITEM 1: THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES .....</u>	<u>9</u>
<u>ITEM 2 BUSINESS EXPERIENCE.....</u>	<u>13</u>
<u>ITEM 3: LITIGATION .....</u>	<u>14</u>
<u>ITEM 4: BANKRUPTCY .....</u>	<u>14</u>
<u>ITEM 5: INITIAL FEES .....</u>	<u>14</u>
<u>ITEM 6 OTHER FEES.....</u>	<u>16</u>
<u>ITEM 7: ESTIMATED INITIAL INVESTMENT .....</u>	<u>21</u>
<u>ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES .....</u>	<u>23</u>
<u>ITEM 9 FRANCHISEE’S OBLIGATIONS .....</u>	<u>25</u>
<u>ITEM 10: FINANCING .....</u>	<u>26</u>

<u>ITEM 11: FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING .....</u>	<u>27</u>
<u>ITEM 12: TERRITORY .....</u>	<u>32</u>
<u>ITEM 13: TRADEMARKS .....</u>	<u>35</u>
<u>ITEM 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION .....</u>	<u>36</u>
<u>ITEM 15: OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS .....</u>	<u>37</u>
<u>ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL .....</u>	<u>38</u>
<u>ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION .....</u>	<u>38</u>
<u>ITEM 18: PUBLIC FIGURES .....</u>	<u>42</u>
<u>ITEM 19: FINANCIAL PERFORMANCE REPRESENTATIONS .....</u>	<u>42</u>
<u>ITEM 20: OUTLETS AND FRANCHISEE INFORMATION .....</u>	<u>43</u>
<u>ITEM 21: FINANCIAL STATEMENTS .....</u>	<u>47</u>
<u>ITEM 22: CONTRACTS .....</u>	<u>47</u>
<u>ITEM 23: RECEIPTS .....</u>	<u>48</u>

**EXHIBITS:**

- A. STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS
- B. FINANCIAL STATEMENTS
- B-1 GUARANTEE OF PARENT
- C. FRANCHISE AGREEMENT
- D. CONVERSION ADDENDUM TO FRANCHISE AGREEMENT
- E. CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
- F. LIST OF FRANCHISEES
- G. LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM
- H. FRANCHISEE COMPLIANCE CERTIFICATION
- I. STATE ADDENDA
- J. FORM OF GENERAL RELEASE
- K. STATE EFFECTIVE DATES

The estimated initial investment will be lower for an existing business that is already incurring some of the overhead costs required for the initial investment. The extent to which you have already established your business may lower these costs. The Company has relied on its experience in the cleaning and maintenance business to compile these estimates. ~~You should review these figures carefully with a business advisor before making any decision to purchase the franchise.~~

## **ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

You must operate your Franchised Business in strict compliance with our prescribed methods, standards, and specifications as outlined in the MilliCare® Services System Confidential Operating Manual and Confidential Technical Manual (collectively, the “Operations Manual”). We may modify the Operations Manual at our sole discretion. It remains confidential and our exclusive property; you may not disclose, duplicate, or use it without authorization. The Operations Manual’s provisions are incorporated into the Franchise Agreement as if fully stated therein. You are responsible for keeping your copy current. In case of a dispute regarding its content, our master copy at corporate headquarters will prevail.

### *Approved Services and Suppliers*

To maintain the high standards of the MilliCare® Services System, you must purchase the MilliCare® Dry Carpet Cleaner, private-labeled performance coatings, tile and grout cleaning and maintenance products, and other Proprietary Products and equipment. These must be obtained exclusively from the Company, its affiliates, or designated third-party suppliers. You may not alter or substitute any Proprietary Products or equipment.

You may only offer services that we approve, as listed in the Operations Manual. We may require you to purchase items from designated suppliers to ensure service quality, supply continuity, and marketplace efficiency. You will not receive any material benefit from using designated suppliers.

We may modify standards and specifications based on our experience and that of our franchisees. Changes may apply to services, products, signage, furnishings, supplies, fixtures, and equipment, as specified in the Franchise Agreement or Operations Manual. Compliance with these changes may increase your costs, which you must cover, though no modification will materially alter your fundamental rights under the Franchise Agreement.

We reserve the right to derive revenue from your required purchases. We are the sole approved vendor for the Initial Package and the Software Suite that we license to you. As of our fiscal year, which ended on December 31, 2024, MilliCare Franchising, LLC., derived \$355,282, or 6% of our total revenue of \$6,409,343, resulting from required franchisee purchases or leases. In 2025, we expect to derive 6% of our revenues from required purchases or leases, although, as further noted below, we may derive revenue from required purchases or leases in the future. No officer of the Franchisor owns an interest in any other approved supplier

The required inventory of products, equipment, and supplies necessary to operate the Franchised Business is listed in the Operations Manual. We estimate that the purchasing requirements account for approximately 50% to 60% of your initial purchases in establishing your business, and 10% to 20% of ongoing operational expenses.

You may purchase equipment and supply items only from Company-approved suppliers or, if there is no approved supplier for a particular equipment or supply item, from suppliers who meet all of the Company’s specifications and standards as to quality, composition, and functionality and adequately demonstrate their capacity and facilities to supply your needs in the quantities, at the times, and with the reliability necessary for an efficient operation. The Company provides certain of its specifications and standards to approved suppliers in the course of doing business with them and will share its criteria for approving approved suppliers with a franchisee upon request in the process of reviewing requested

You must open your business upon satisfactory completion of MilliCare® Academy, completion of the tenant improvements and the issuance of a certificate of occupancy for the business premises at the Location. If you do not live in the Territory, or do not already own/lease space in the Territory, you must secure a location and sign a lease within 180-days of signing the Franchise Agreement. Most franchisees open their business within 180 days after signing the Franchise Agreement. You must open your business no later than 270 days after signing the Franchise Agreement. Factors which may affect the time to open your business include the ability to obtain a lease, financing or building permits, zoning and local ordinances, weather conditions, shortages, scheduling of training, and delayed delivery or installation of equipment, fixtures, and signs.

#### *Ongoing Assistance*

During the operation of the Business:

1. We may provide updates to the approved products and services you will offer to customers, as well as approved vendors.
2. We will furnish you from time to time with updated and revised material for the Operations Manual (Franchise Agreement § 2.3).
3. We will assist you in the development of a plan to address various operational aspects and goals for the Business (Franchise Agreement § 2.6).
4. We will provide a continuing advisory service which may include consultation on promotional, marketing and advertising techniques, and customer relations (Franchise Agreement § 2.7).
5. We, or a person or entity we designate (which may be an affiliate of the Company) will sell various proprietary products and equipment to you, as detailed in the Confidential Manual (Franchise Agreement § 2.8).
6. We have the right, but are not obligated, to determine the prices, and establish minimum and maximum prices, or minimum advertised prices, of the products and Services you offer and sell which you must adhere to, subject to law. We retain the right to modify the prices from time to time. We also have the right to establish suggested prices for the MilliCare® products and Services you offer and sell, which you are not be required to adhere to.
7. We and our agents have the right of entry and inspection of your premises, the right to observe the manner in which you render services, and the right to confer with your employees, customers, and business associates (Franchise Agreement § 2.10).

#### *Advertising and Promotional Requirements*

You are responsible for funding all local advertising and promotional activities in compliance with our policies, as outlined in the Operations Manual.

Starting 60 days prior to your opening date, you must spend a minimum of \$1,000 monthly on local marketing, advertising, public relations, and promotions as directed by us. We may either (i) collect and spend these funds on your behalf, or (ii) direct you on how to allocate them. We have sole discretion over Local Advertising, including budget allocation, marketing methods, media selection, and promotional content.(Franchise Agreement § 3.13)

All advertising, sales, or promotional materials require our prior approval, which will not be unreasonably withheld. You must submit materials for review, and if we do not respond within 15 business days, approval is automatically granted (Franchise Agreement § 3.14). You may not advertise or promote on any unauthorized website or social media platform, including but not limited to Facebook, X, LinkedIn, TikTok, blogs, or forums. We control all aspects of the MilliCare® website, including its design, content, and updates. While we may create pages featuring your Franchised Business, we are not obligated

to do so. If we require you to provide content for such pages, you must do so at your expense using our templates, subject to our approval. You may not establish or maintain a separate website, splash page, or social media profile related to the System or your Franchised Business without our prior written approval. You must claim, update, and pay for all online business listings as directed by us or our affiliates. We may modify policies regarding internet use as necessary. ~~You acknowledge that we~~We and/or our affiliates are the sole owners of www.MilliCare.com and any other domain names we register. You waive any ownership rights to these or any similar domain names, including abbreviations, acronyms, phonetic variations, or visual variations. You are prohibited from registering any domain names that include or resemble our brand names (Franchise Agreement § 3.14).

#### *Advertising Council*

The Company has established a franchisee advisory council to provide input and suggestions regarding use of the Promotional Fund. The franchisee advisory council serves in an advisory capacity only and does not have any operational or decision-making power. Presently, advisory council members are elected by the existing advisory council from the list of approved nominations from the network of franchisees. The Company has the power to form, change, dissolve, and merge the franchise advisory council.

#### *Local Advertising Cooperatives*

The Company does not have the power to require cooperatives to be formed.

#### *Promotional Fund*

You must contribute 2% of your Gross Billings to a promotional fund (the “**Promotional Fund**”). Only MilliCare® franchisees will contribute to the Promotional Fund. Other franchisees will contribute the same amounts.

The Promotional Fund is administered by the Company. The Promotional Fund may be used as determined solely by the Company and without consideration of geographical location of franchisees: to purchase national, regional, and local advertising in any media, including broadcast, print, and electronic media (including a website for the MilliCare® franchise network); advertising and promotional materials; to acquire the services of in-house and outside advertising and public relations professionals; research and development, tests or target marketing, the conducting of surveys, brand development and promotion, to defray the expense of training programs intended to develop the marketing and promotional skills of franchisees and their employees; to carry on other advertising and promotional activities, including utilizing Networking Media Websites (such as Facebook, Twitter, and LinkedIn) and other emerging media; and to pay the reasonable expenses of administering the Promotional Fund, including the reasonable compensation of the Company’s employees and expenses of the advisory council while working on behalf of the Promotional Fund. The Promotional Fund will not be used for selling additional franchises; however, we may state in any advertisements that franchises are available and contact MilliCare© for information regarding this opportunity.

In the fiscal year ended December 31, 2024, the Promotional Fund contributions were expended as follows: Advertising and Promotion 54%, Technology 20%, Industry Conventions and Entertainment 10%, Salaries 8%, Travel 6%, and Administrative 2.0%. The Company will account annually, within 120 days of the end of each year, with a financial statement that reports for all Promotional Fund contributions received and spent, together with the balance on account for that year. You may obtain a copy of such statement via written request. Other than the foregoing financial statement report, Franchisor does not separately make financial statements of the Promotion Fund available for review. Franchisor is not required to have the Promotional Fund audited. Amounts not spent in a given year are carried over to the next year. The Company is not required to spend any amounts from the Promotional Fund in any franchisee’s territory.

#### *Software and Computer System*

changes at your own expense.

*Operations Manual*

The Company will give you access to the Operations Manual for your use during the term of the franchise (Franchise Agreement § 2.3). The Operations Manual may be in electronic, digital, or another format. You will be permitted to review the Operations Manual prior to purchasing a franchise. We may revise the Operations Manual at any time. The current Operations Manual table of contents, as of the date of this Disclosure Document contains 172 pages, and the pages devoted to each topic are noted in the chart below.

Topic	Approximate Number of Pages
<b>OPERATIONS MANUAL</b>	
1. Pre-Opening Procedures	20
2. People Strategy	36
3. General Operations	24
4. Sales	19
5. Signature Services	12
6. Marketing	23
7. Safety and Security	15
8. General	23
<b>Total Number of Pages</b>	<b>172</b>

*Initial Training Program*

The Company will conduct a comprehensive Initial Training Program on the management and operation of the Franchised Business (Franchise Agreement § 2.4). The Initial Training Program consists of a program provided in several phases during your first year as a franchisee. The first phase of the Initial Training Program must be successfully completed to our satisfaction after signing the Franchise Agreement, but prior to beginning operations. You are responsible for all travel, food, lodging and other expenses incurred by you and any of your employees in connection with attendance at the Initial Training Program. The training will be held at the locations indicated or other specified locations (which may include virtual classrooms) and will consist of:

**TRAINING PROGRAM**

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Franchise Operations	2 days	None	Franchisee or Franchisor’s office, virtual classroom or another location in U.S.
Technical Skills Training	1 day	3-4 days	Franchisee’s Business or another location in U.S.
Professional Sales and Marketing Training	2 days	None	Franchisee’s Business or another location in U.S.

As a condition of employment of any employee in the management and operation of your franchised business, your employees must covenant to maintain and protect proprietary information, including signing of standard covenants. Any person or entity that is an owner of 5% or more of the franchisee, or any time becomes an owner of a minority interest of the franchisee, as well as their spouse(s), must execute the form of personal guaranty attached to the Franchise Agreement, whereby each guarantor personally guarantees the obligations of the franchisee (Franchise Agreement, Exhibit C).

**ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You may offer and sell only those products and services that are approved by the Company or that meet with the reasonable specifications and standards established by the Company. You must offer and sell all of the Services that we have approved for your franchise. You must purchase all proprietary products and proprietary equipment from the Company or its designated affiliate. You may purchase equipment and supply items only from sources approved by the Company. The Company may, at any time, require the substitution of newly developed proprietary products for non-proprietary items. The Company has the right to add additional authorized products and services that you must then offer. There are no limits on the Company’s right to do so. You may not become a wholesaler or distributor of proprietary products or proprietary equipment, and you may not re-sell proprietary products or proprietary equipment, except in connection with the provision of Services by you. You may not become a wholesaler or distributor of non-proprietary equipment and supplies related to the Services to other franchisees or to customers of the MilliCare® System (See Items 1 and 8).

You may provide the Services only to commercial, industrial, and office customers, and not to residential customers. You may provide Services for any non-residential customer in the Territory who is not disapproved in writing by the Company. In certain markets, the Company has agreed not to solicit certain customers for a limited period of time. If you buy a franchise in these markets, the Company will supply you with these customer restrictions.

You are an independent contractor with control and direction of the Franchised Business and operations, subject to the conditions specified in the Franchise Agreement and Operations Manual. The Franchised Business you operate is separate and apart from any that we may operate. Neither you nor we may bind each other or make any representations tending to create apparent agency, employment, or partnership.

**ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

**THE FRANCHISE RELATIONSHIP**

**This table lists certain important provisions of the Franchise Agreement and other agreements. You should read these provisions in the agreements attached to this disclosure document.**

	<b>Provision</b>	<b>Section in Agreement</b>	<b>Summary</b>
a.	Length of the franchise term	Franchise Agreement § 1.4.1	10 years

following:

(a) Franchisee or its partners will at all times be the record and/or beneficial owner of, and will have, by law or by written agreement satisfactory to Franchisor, voting control of, not less than 51% of the issued and outstanding shares or membership interests of each class of the capital stock or membership interests of such corporation or company;

(b) No other person or entity, except members of Franchisee's or its partners' respective immediate families may own or have any right to acquire any shares, membership interests or other securities of such corporation or company;

(c) The form and content of the articles or certificate of incorporation, organization, or formation of such corporation or company and by-laws of any such corporation or operating agreement of any such company must contain provisions enforceable under applicable law restricting the issuance and transfer of shares, membership interests, or securities of the corporation or company to such extent as Franchisor shall reasonably require;

(d) Franchisor must have been furnished in writing the names and addresses of all existing or prospective shareholders or members of the corporation or company, and Franchisee or its partners and (if requested by Franchisor) each such shareholder or member, or prospective shareholder or member, as well as their spouse(s), must have guaranteed in writing (in form and substance satisfactory to Franchisor) the performance by the corporation or company of the obligations of the Franchisee under this Agreement; and

(e) Each shareholder or member must have executed and delivered to Franchisor a non-competition covenant in form and substance satisfactory to Franchisor, containing the covenants not to compete required by Section 3.18.4 hereof.

After assignment of this Agreement to a corporation or limited liability company as above provided, or, if Franchisee is a corporation or limited liability company at the date of this Agreement, the sale, transfer, assignment, or encumbrance or change in rights of any class or series of capital stock, membership interests, or other securities of such corporation or company, whether by operation of law or otherwise, will be deemed a sale by Franchisee or (if a partnership) its partners of its or their interest(s) in this Agreement and will in all respects be subject to the limitations set forth in this Section 5 on the sale of Franchisee's interest in this Agreement. Any merger, consolidation, or reorganization by any corporation or limited liability company having an interest in this Agreement will be deemed a sale of such interest and, unless the prior written consent of Franchisor has been obtained, will constitute a material breach hereof.

**5.5 Right of First Refusal.** If at any time during the term of this Agreement Franchisee receives a bona fide offer to purchase the Franchised Business, which offer Franchisee is willing to accept, Franchisee must give Franchisor written notice of the terms of the offer and the name of the offeror and allow Franchisor to elect to purchase the Franchised Business on the same terms as contained in the offer within 30 business days after Franchisor's receipt of the offer, except that in place of any non-cash consideration described in such offer, Franchisor or Franchisor's designee may pay the fair market value thereof in cash. If Franchisor fails to give written notice of election or declines election within the 30 business days, Franchisee may sell to the offeror on the terms offered, subject to the provisions relating to transferability as set forth in this Section 5, provided that such sale must be consummated within ninety (90) calendar days after the expiration of such 30-business day period; otherwise, the restrictions of this Section 5.5 shall be renewed and any sale or transfer by Franchisee of its interest in this Agreement, whether to such offeror or other individual or entity, shall again be subject to the restrictions of this Section 5.5. In the event Franchisor or Franchisor's designee elects to purchase, the purchase must be completed within 90 calendar days from the date of Franchisor's notice of election to purchase. For purposes of this Section 5.5,

**Attachment D to the Franchise Agreement: Personal Guarantee**

**PERSONAL GUARANTEE AND AGREEMENT TO BE BOUND**

**PERSONALLY, BY THE TERMS AND CONDITIONS**

**OF THE FRANCHISE AGREEMENT**

In consideration of the execution of this Franchise Agreement by us, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in this Franchise Agreement, to be paid, kept and performed by the franchisee, including without limitation the dispute resolution provisions of the Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each condition and term contained in this Franchise Agreement and agree that this Personal Guarantee should be construed as though the undersigned and each of them executed a Franchise Agreement containing the identical terms and conditions of this Franchise Agreement.

The undersigned waives: (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the franchisee or any other person as a condition of liability.

In addition, the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the franchisee or any other person; and (2) such liability will not be diminished, relieved or otherwise affected by the franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned.

It is further understood and agreed by the undersigned that the provisions, covenants, and conditions of this Guarantee will inure to the benefit of the successors and assigns of us.

**PERSONAL GUARANTORS**

_____	_____
_____ <u>[Name]</u> , Individually	_____ <u>[Name]</u> , Individually
_____	_____
_____ <u>Address</u>	_____ <u>Address</u>
_____	_____
_____ <u>City, State, Zip Code</u>	_____ <u>City, State, Zip Code</u>
_____	_____
_____ <u>Telephone</u>	_____ <u>Telephone</u>
_____	_____

SPOUSAL GUARANTORS

---

[Name], Individually

[Name], Individually

---

## EXHIBIT I

### STATE ADDENDA

#### CALIFORNIA

#### **ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT AND ALL RELATED AGREEMENTS** **REQUIRED BY THE STATE OF CALIFORNIA**

The following paragraphs are added to the Disclosure Document:

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF

BUSINESS OVERSIGHT at [www.dpfi.ca.gov](http://www.dpfi.ca.gov).

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

THE FRANCHISE AGREEMENT CONTAINS PROVISIONS THAT LIMIT FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN YOUR STATE INCLUDING, BUT NOT LIMITED TO, A TIME LIMIT TO RAISE CLAIMS AGAINST THE FRANCHISOR, LIMITATION OF DAMAGES AND WAIVER OF JURY TRIAL.

Item 5 is amended as follows:

~~Based upon the franchisor's financial condition, the California Department of Financial Protection and Innovation has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. The Department of Financial Protection and Innovation has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a requirement for us to obtain a Guarantee of Performance from a guarantor who shows financial ability to meet the franchisor's obligations. Our guarantor is EverSmith Brands Holding Company and their financial statements are attached to this FDD in Exhibit B. We will provide you with a copy of the Guarantee of Performance upon request.~~

The following paragraphs are added at the end of Item 17 of the Disclosure Document pursuant to regulations promulgated under the California Franchise Investment Law:

California Law Regarding Termination and Nonrenewal. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

Termination Upon Bankruptcy. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 *et. seq.*).

Post-Termination Noncompetition Covenants. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the respective agreement. These provisions may not be enforceable under California law.

Applicable Law. The Franchise Agreement requires application of the laws of the state of

Franchisor's then-current National Headquarters (presently Florida) with certain exceptions. These provisions may not be enforceable under California law.

Arbitration. The Franchise Agreement requires binding arbitration. The arbitration is to occur at the office of the American Arbitration Association in the city and state of Franchisor's then-current National Headquarters (presently Orlando, Florida) with 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.

Neither the Franchisor, nor any person or franchise broker in Item 2 of the Franchise 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 that associate or exchange.

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

The disclosure document, franchise agreement and any document signed in connection with the franchise are supplemented with the following language:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**\*\*\*THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK\*\*\***

**MINNESOTA**  
**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT**  
**REQUIRED BY THE STATE OF MINNESOTA**

In recognition of the requirements of the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the Franchise Disclosure Document of MilliCare Floor & Textile Care for use in the state of Minnesota shall be amended to include the following:

~~1. Item 5 shall be amended to include:~~

~~Based upon the franchisor's financial condition, the State of Minnesota has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.~~

2.1. Item 13, “Trademarks,” shall be amended by deleting the sixth paragraph and substituting the following paragraph in lieu thereof:

You must promptly notify the Company of any unauthorized use of any of the trademarks, or any colorable variation of the trademarks, by third parties. You must promptly notify the Company of any claim, demand, or suit against you based upon, or arising in connection with, your use of the trademarks. You have no authority to defend or prosecute any action relating to the trademarks, and the Company in its sole discretion, may elect to defend or prosecute any action relating to the trademarks. If the Company defends or prosecutes any action relating to the trademarks, you will execute any and all documents and do all acts necessary to carry out the litigation. Pursuant to Minnesota Stat. Sec. 80C.12, Subd. 1(g), we are required to protect any rights which you have to use our Marks.

3.2. Items 17 (b), (c), (e), and (k) of the Franchise Agreement chart, under the headings “Renewal or extension of the term,” “Requirements for you to renew or extend,” “Termination by the Company without cause” and “Transfer by you – definition,” shall be amended by the addition of the following language at the conclusion of the provisions:

Minnesota law provides franchisees with certain termination, non-renewal, and transfer rights. In sum, Minn. Stat. § 80C.14 (subd. 3, 4, and 5) currently requires, except in certain specified cases, that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of nonrenewal of the Franchise Agreement, and that consent to the transfer of the franchise not be unreasonably denied.

4.3. Item 17(m) of the Franchise Agreement chart, under the heading “Conditions for Company approval of transfer,” shall be amended by adding the following language at the end of the Item:

The general release will not apply to any liability under the Minnesota Franchise Law.

5.4. Item 17 (v) of the Franchise Agreement chart, under the heading “Choice of forum,” shall be amended by deleting in its entirety and replacing it with the following:

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit you from requiring litigation to be conducted outside Minnesota. In addition,

nothing in the disclosure document or agreement can abrogate or reduce any of the Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or the Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

6.5. Item 17(w) of the Franchise Agreement chart, under the heading entitled "Choice of law," shall be amended by adding the following language at the end of the Item:

This provision may not be enforceable under Minnesota law.

7.6. Each provision of this Addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 through 80C.22 and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930 are met independently without reference to this Addendum to the Franchise Disclosure Document.

7. – NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

8. The disclosure document, franchise agreement, development agreement and any document signed in connection with the franchise are supplemented with the following language:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**[THIS REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK]**

term of any document executed in connection with the franchise.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, are met independently without reference to this Amendment.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Minnesota Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

ATTEST

**MILLCARE FRANCHISING, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**\*\*\*THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK\*\*\***

**VIRGINIA ADDENDUM**  
**TO THE ~~MFRANCHISEFRANCHISE~~ DISCLOSURE DOCUMENT**  
**REQUIRED BY THE STATE OF VIRGINIA**

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for MilliCare Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follow:

The following statements are added to Item 17.h:

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforced.

The disclosure document, franchise agreement, development agreement and any document signed in connection with the franchise are supplemented with the following language:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**\*\*\*THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK\*\*\***

Franchisor offers a referral incentive program that pays \$10,000 to an existing franchisee who directly refers a candidate to Franchisor who executes a MilliCare franchise agreement for a new location within 6 months of the date of referral. The incentive payment is only paid with respect to the first franchise purchased by the referred new franchisee and other limitations may apply. Franchisees who receive financial incentives to refer franchise prospects to the Franchisor may be required to register as franchise brokers under the laws of Washington State.

~~Based upon~~In lieu of an impound of franchise fees, the franchisor's financial condition, Franchisor will not require or accept the State of Washington has required a financial assurance. Therefore, all payment of any initial fees and payments owed by franchisees shall be deferred franchise fees until the franchisor completes its franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement, or offering circular, and (b) is open for business.

The undersigned parties do hereby acknowledge receipt of this addendum.

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**MILLCARE FRANCHISING, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**FRANCHISEE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT K

### STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or otherwise be exempt from registration: California, Florida, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia, Washington, and Wisconsin. This 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:

CALIFORNIA	Pending
<del>FLORIDA</del>	<del>Pending</del>
HAWAII	Not Registered
ILLINOIS	<del>Pending</del> April 6, 2025
INDIANA	<del>Pending</del> April 6, 2025
MARYLAND	Pending
MICHIGAN	<del>Pending</del> Effective
MINNESOTA	Pending
NEW YORK	Pending
NORTH DAKOTA	Pending
RHODE ISLAND	Pending
SOUTH DAKOTA	Pending
<del>UTAH</del>	<del>Pending</del>
VIRGINIA	<del>Pending</del> April 6, 2025
WASHINGTON	Pending
WISCONSIN	<del>Pending</del> April 6, 2025

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

In all other states, the effective date of this Franchise Disclosure Document is April 1, 2025.